

23 January 2025

Nexus Infrastructure plc
("Nexus", the "Company" or the "Group")

Preliminary unaudited results for the year ended 30 September 2024

Steady performance despite industry headwinds

Nexus Infrastructure plc (AIM:NEXS), a leading provider of essential infrastructure solutions, announces its preliminary unaudited results for the year ended 30 September 2024 ("FY24"). The Company will publish its audited results, alongside its annual report and accounts, and notice of annual general meeting, in due course.

Commenting on the year in review, Charles Sweeney, Chief Executive Officer of Nexus, said: "FY24 has been a year of progress for Nexus Infrastructure, demonstrating resilience in a challenging market. We have focussed on delivering on our core strategic objectives and have seen progression across all, strengthening our foundations and positioning us well for future growth.

"The significant improvements in Tamdown's margins and the expansion of our order book reflect the hard work and operational discipline of the team. Looking ahead, we're excited about the opportunities presented by our recent acquisition of Coleman Construction & Utilities, which opens new high-potential sectors. With momentum building and a more positive outlook for the housing sector recovery, we are optimistic about the year ahead and confident in our continued success."

Financial summary

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- Revenue in line with market expectations at £56.7m (2023: £88.7m), reflecting subdued market conditions in the housebuilding sector.
 - Order book at the year-end grew to £51.6m (2023: £46.0m) despite weakness in the housebuilding market.
 - Operating loss of £2.2m (2023: £8.4m loss) including exceptional items of £0.3m (2023: £0.6m).
 - Strong balance sheet with the Group's cash at £12.8m (2023: £14.6m), positioning the Group for the market upturn.
 - Net assets robust at £30.0m (2023: £33.0m).
 - Loss per share (basic) of 30.6p (FY 2023: earnings 239.0p (including the sale of TriConnex and eSmart Networks and the return of capital to shareholders), FY 2023: loss per share from continuing operations (basic) of 34.52p).
 - Proposed final dividend of 2.0p, a total of 3.0p for the year. Dividend level maintained to continue returning value to shareholders (2023: 3.0p).

Strategic highlights

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- Strengthened and expanded relationships with national housing developers on large multi-phase schemes, often lasting between five and 10 years.
 - Focused on operational discipline and management of costs at Tamdown, whilst maintaining high quality customer service, resulting in significant improvement in Tamdown's gross margins.
 - Post-period acquisition of Coleman Construction & Utilities Limited ("Coleman") delivers on a key strategic pillar and diversifies the Group into water, rail, highways, rivers & marine sectors.

Outlook for FY25 and beyond

The UK housebuilding sector, benefitting from the Government's initiatives to resolve the long-term undersupply of new homes, is poised for recovery. Tamdown has continued to focus on growing customer relationships, building on its existing reputation for high quality service, driven by its experience in the delivery of multi-phase, complex projects. The Board is therefore confident that Tamdown is well placed to take advantage of the market upturn.

The addition of Coleman to the Group post-period opens new doors to new high-potential sectors that complement Nexus' expertise. By delivering on the strategy to diversify, the acquisition eases Nexus' reliance on the typically cyclical housing market, and introduces Nexus to new, resilient, high growth infrastructure sectors.

The Board will continue to review further diversification options in FY25.

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Notes to Editors

Nexus is a leading provider of civil engineering infrastructure solutions through its two subsidiaries: Tamdown Group Limited ("Tamdown") and Coleman Construction & Utilities Limited ("Coleman").

Tamdown provides a range of civil engineering and infrastructure solutions to the UK housebuilding sector, with operations focused on the South-East of England and London. It has an established market-leading position, having been in operation for over 48 years.

Coleman delivers civil engineering and building projects in the water, rail, highways and rivers & marine sectors. Since its foundation in 2000, the business has grown based on a reputation for quality of service and customer satisfaction.

Chairman's statement

Overview of the year

The Group delivered a steady overall performance in FY24, despite the ongoing macroeconomic and housebuilding industry headwinds. With conditions expected to improve in 2025, the Group has worked hard to position itself for the market upturn which, alongside diversification into further sectors of critical UK infrastructure, provides the Board with confidence for the year ahead.

We have maintained our close relationships with our loyal and long-standing customer base and are proud of the high levels of service that we have delivered to our clients. As ever, Tamdown continues to be recognised for its reliability and experience in the delivery of complex, multi-phase developments, ensuring we remain well placed to win new contracts.

The Board is confident that a recovery in the housebuilding sector is expected. Spurred on by the change in government and the easing of wider economic pressures, Tamdown is well positioned to capitalise on this recovery.

Post-period end, the acquisition of Coleman marks an exciting moment in the evolution of Nexus, strengthening the Group by introducing new, growing, and less cyclical sectors. The acquisition, which delivers on a key aspect of our growth strategy, further cements our confidence in the year ahead.

Board and employees

In August, after 30 years of dedicated service, Mike Morris stepped down from the Board. We thank Mike for all his dedication and contribution to the business over such a long length of time and wish him all the best with his future endeavours.

A key factor in Nexus' success continues to be our team of skilled, driven and dedicated employees working across the Group. We remain committed to aiding the professional growth of our workforce and ensuring Nexus remains a platform for successful career development.

Dividend

Nexus continues to operate with a robust balance sheet, with net cash of £12.8m at year-end. The Board intends to recommend the payment of a final dividend of 2p per share in line with FY23. This gives a full year dividend of 3p per share.

Stakeholder engagement

The Board recognises the importance of stakeholder engagement to the long-term success and sustainability of our business. The Group is committed to developing effective dialogue and relationships with all stakeholder groups and the Board continually develops our business using learnings from these interactions.

We remain focused on our mission to be recognised as the leading provider of essential infrastructure solutions in the UK, by delivering outstanding performance through a focus on delivery, customer service and diversification.

Sustainability

At the heart of our purpose, Building Bright Futures, is a commitment to sustainability - for our people, communities, and the planet. Nexus and our people continue to challenge assumptions across our operations and find better ways to ensure quality delivery while also improving our sustainability as a business.

Our dedication to Health & Safety was recognised by the Royal Society for the Prevention of Accidents (RoSPA) with Tamdown receiving its 15th consecutive Gold Award resulting in an Order of Distinction Award. Phase 2 of Tamdown's Behavioural Safety Programme began in May 2024 and was well received by both employees and customers.

Development of all our staff is important to us and during the year we supported the Tamdown Finance Director to achieve Chartered Director status and our site managers to enhance their IT skills.

We continued our wellbeing initiatives to support our people, as well as our volunteering scheme and fundraising efforts to support the communities we operate within.

We see sustainability as a journey for our business alongside our customers and suppliers, and it is a journey we are fully committed to.

Summary and outlook

Despite a challenging backdrop across the UK housing market, the Group delivered a good performance in FY24, working hard to strengthen margins and maintain a strong balance sheet. It is pleasing to see the progress that has been made on delivering on our strategic objectives.

We look to the year ahead with belief that a recovery in the housebuilding sector is on the horizon and, when market confidence returns, Tamdown is well poised to benefit, spurred on by the government's ambitious housebuilding targets.

Post period, the acquisition of Coleman provides further confidence in the outlook for Nexus, presenting an expanding opportunity for the Group, through diversification, and we look forward to seeing the positive impact it will have on Nexus in

the years ahead

Richard Kilner
Non-Executive Chairman

CEO Statement

Overview

In FY24, we took positive steps in our strategic objectives, despite a challenging market backdrop. Our primary focus has been on three key areas: to grow with our customers, to expand our market, and to strengthen financial delivery. In all areas it is pleasing to see that we made meaningful progress.

Whilst the pace of the recovery of the housebuilding sector has been slower than we anticipated, there are signs that momentum is once again building, catalysed by the change in government and macroeconomic improvements. We remain confident that a significant recovery in the housebuilding sector is inevitable, and Tamdown will be well placed to capitalise on the upturn when it happens.

During the year, Tamdown continued to focus on operating discipline and the management of costs whilst delivering a high-quality service to its clients. The team's hard work and innovative thinking further improved productivity, resulting in a strengthening of gross margins of 13.7% (2023: 5.8%) despite market pressures. The business remains well positioned for growth, with an order book of £51.6m (2023: £46.0m) at year-end. Post-period end, Tamdown was awarded further work with a total value of £15.9m.

Overall, Group revenues for FY24 were £56.7m (2023: £88.7m) with a reduced operating loss of £2.2m (2023: loss of £8.4m) including exceptional items of £0.3m (2023: £0.6m).

Nexus has a robust balance sheet with cash and cash equivalents of £12.8m at the FY24 year end (2023: £14.6m).

Post year end, Nexus acquired Coleman Construction & Utilities Limited (Coleman), a civil engineering & construction business with experience in several key sectors including water, rail, highways, and rivers and marine, for an initial cash consideration of £3.08m on a cash and debt free basis (total aggregate consideration of up to £5.38m over two years). Expanding the Group's market through diversification has been a key pillar of Nexus' strategy and the acquisition of Coleman will provide future growth opportunities outside of the Group's existing core sector of residential housebuilding. Coleman offers services in sectors which are critical to the UK's national infrastructure, driven by climate change, environment protection, and shifts in societal needs. These sectors have multi-decade horizons and are largely unaffected by short-term economic pressures.

Strategy

Nexus made progress on its core strategic objectives in the year, all of which will bring benefits to the Group in the years ahead:

Growing With Our Customers

Through quality of service and attention to detail, we have continued to grow relationships with the national housing developers on large multi-phase schemes which often last between five and ten years. Examples include developments for the UK's largest housebuilders, such as Taylor Wimpey, Bellway, Vistry and Persimmon.

Expanding Our Market

Post-period we completed the acquisition of Coleman Construction & Utilities Limited. The acquisition introduces Nexus to new high potential sectors, including water, rail, highways, and rivers and marine, which are less exposed to short-term economic pressures. Many of Coleman's projects are related to long-term frameworks, such as the AMP programmes (Asset Management Periods) in the water sector. Nexus will support Coleman in enhancing and expanding its operations. The Group will continue to review other diversification options and will evaluate future opportunities in a considered manner.

Focus on Financial Delivery

Despite the prevailing difficult conditions in the housebuilding sector during FY24, Tamdown continued to focus on operating discipline and the management of costs whilst delivering a high-quality service to its customers. This resulted in a significant improvement to Tamdown's gross margins (as noted below) and the business is now well placed to benefit from the widely-expected upturn in the housebuilding sector.

Operational update: Tamdown

Tamdown provides a range of essential civil engineering and infrastructure solutions to the UK housebuilding sector. These services include earthworks, building highways, substructures and basements, and installing sustainable drainage systems. It has an established market-leading position having been in operation for over 48 years. It is particularly recognised for its experience and capabilities in the safe delivery of large, complex, multi-phase developments. It has a strong brand and a loyal customer base.

Health and safety is given the highest priority. Systems and procedures are regularly reviewed, to ensure they are robust and compliant whilst easy to follow. The competency, awareness and behaviours of individuals are enhanced through training and development programmes.

Tamdown's health and safety performance was recognised by the Royal Society for the Prevention of Accidents (RoSPA), receiving a Gold Award for the 15th consecutive year, together with the RoSPA President's Award.

Tamdown's Accident Incidence Rate (AIR) for the year was 215 (2023: 122). By comparison, the Health and Safety Executive's figures, published in November 2024, stated that the equivalent average for the UK construction industry overall in 2023/24 was 306 (2023: 296).

Tamdown paid particular attention to operating discipline and the management of costs in parallel to maintaining high levels of customer service. Example initiatives include an improvement in planning and resource forecasting, the use of systems to efficiently manage workforce training records and the introduction of vehicle telematics to help driver awareness and reduce environmental impacts.

In combination, these and other initiatives resulted in a strengthening of gross margins to 13.7% (2023: 5.8%).

During the year, Tamdown secured new work from several major developers. At year end Tamdown's order book was £51.6m, (2023: £46.0m), a 12% increase on the previous year. Post-period end Tamdown was awarded new work with a total value of £15.9m.

People

In August, Mike Morris stepped down from the Board after more than 30 years. On behalf of everyone across the Group, I thank Mike for his leadership, support and for his considerable contribution to the evolution and success of the business. We all wish Mike the very best for the future.

I extend a warm welcome to those new colleagues who joined the Group over the past year. I look forward to working with you as we continue to build for the future.

Market update and outlook

It was a challenging year for the UK housing market, with the rate of recovery in the housebuilding sector slower than anticipated. However, the wider macroeconomic pressures which have been affecting the sector for so long have begun to abate and this, coupled with the promises of support made by Government, have improved sector confidence in a market recovery during in 2025.

The acquisition of Coleman post-period end means Nexus will in the future be less exposed to the cyclical pressures of a single market sector and will have opportunities to be involved in other sectors key to UK national infrastructure. These sectors have fundamental drivers such as climate change, environment protection, shifts in societal needs, and improvements to energy security, and therefore are less vulnerable to short-term economic fluctuations.

Finally, I would like to extend my gratitude to each and every team member across Nexus for the dedication, hard work and resilience shown during a challenging year. There is much to look forward to as a result of your efforts - so, thank you for all that you have done.

Charles Sweeney

Chief Executive Officer

CFO REVIEW

I am pleased to report that FY24 delivered an improved financial performance with an increase in the gross profit margin and reduced overheads, resulting in a reduction in the loss. Whilst there was a significant reduction in revenue, due to the continued challenging conditions in the housing market, the improvement in these key financial metrics places Tamdown in a good position to benefit from the anticipated recovery in the housing market. The acquisition of Coleman in October 2024, expands our markets providing new revenue streams and enhancing value for the Group.

Our continued strong positive cash position and balance sheet means the board is recommending a final dividend payment of 2.0p per share, in line with 2023.

Revenue £56.7m -36%

2024	56.7
2023	88.7
2022	98.4

Revenue and revenue growth track our performance against our strategic aim to grow the Group through supporting our customers and expanding our markets.

Revenue in FY24 comes from the residential housebuilding sector and totalled £56.7m. The year was impacted by the low levels of houses being built with the pace of recovery not happening as markets had expected. The uncertainty created by the general election and slower than expected reduction in interest rates were contributing factors affecting consumer confidence and affordability of buying a house.

Additional revenue of £1.8m came from the settlement of a claim against a supplier for damages caused by the supply of faulty services.

Gross Profit £7.7m +30.5%

2024	7.7
2023	5.9
2022	9.9

Gross profit increased by 30.5% including the one-off claim of £1.8m. Underlying gross profit from housebuilding activities was £7.7m (FY 2023: £5.9m). The housebuilding gross margin was 13.7%. This is a further increase from the half year gross margin (H1 2024 : 13.5%) for Tamdown and demonstrates the continuing improvement in delivery. Costs have been tightly controlled with further cost saving measures being implemented.

For broader context, the comparative 2023 margin was impacted by ilke Homes going into administration and the associated write-off.

Loss before tax and exceptionals -£2.2m

2024	(2.2)
2023	(7.7)
2022	(0.3)

The loss before tax (excluding exceptionals) was £2.5m (FY 2023 £7.9m). Exceptionals of £0.3m (FY 2023: £0.6m) related to a further cost cutting exercise carried out during the year. The improvement in the gross margin contributed to the reduction in the loss during the year. Nexus administrative expenses reduced to £1.8m (FY 2023 £2.4m) reflecting the review undertaken in FY23.

Loss per share 30.6p

2024	(30.6)
2023	239.0
2022	6.0

Tracking the after-tax earnings relative to the average number of shares in issue provides a monitor on shareholder value.

Loss per share (basic) in FY 2024 was 30.6p (FY 2023: earnings 239.0p). This includes the sale of TriConnex and eSmart Networks and the return of capital to shareholders. FY 2023 loss per share from continuing operations (basic) was 34.52p.

Proposed dividend per share (p)

Total dividend per share 3.0p

2024	3.0
2023	3.0
2022	1.0

Tracking the total dividend per share declared for each financial year provides a monitor on the return achieved for shareholders.

Nexus continues to operate with a strong balance sheet, with net cash of £12.8m at the year end. The Board intends to recommend a final dividend of 2.0p per share. This will give a total dividend of 3.0p per share, in line with 2023.

Working Capital

Cash generated from operations was £1.4m. Trade receivables reduced to £20.6m (FY 2023: £23.3m) with overdue receivables reducing to £7.8m (FY 2023: £9.7m). Tamdown continues to improve this position and have recruited a Commercial Director to assist with this.

Trade payables were £12.0m (FY 2023: £13.7m) reflecting the reduced revenue levels.

Cash £12.8m -12.3%

2024	12.8
2023	14.6
2022	4.6

Tracking the cash balance monitors the conversion of profits into cash, ensuring that cash is available for reinvestment and supporting delivery of the strategy. Our cash balance has meant we were able to manage the impact of ilke Homes going into administration in mid-2023 owing £2.9m. Our cash will support our growth ambitions with sufficient balances to support our working capital requirements and potential future acquisitions.

The Group does not have any debt facilities in place.

Total Assets £29.9m -9%

2024	29.9
2023	33.0
2022	34.1

Tracking the Group's net assets monitors the Group's financial strength and stability. The movement in net assets reflects the loss in the year of £2.7m and payment of dividends totalling £0.3m.

Order book £51.6m +12%

2024	51.6
2023	46.0
2022	95.5

The tracking of the order book, being the amount of secured work yet to be recorded as revenue, provides visibility on expected future revenue against the strategic aim to grow the business.

The order book has increased in the year to £51.6m (2023: £46.0m), and post year end, further work was secured of £15.9m.

Acquisition

Post year end, on 29 October 2024, Nexus Infrastructure plc completed the acquisition of Coleman Construction & Utilities, a construction and civil engineering business with experience in water, rail, utilities and other infrastructure services for a maximum consideration of £5.38m. The initial consideration was made from our cash balance and is constructed as follows:

	£m
Cash	3.1
Contingent consideration	0.2
Settlement of inter company balances and loans	0.8
Deferred cash consideration to a maximum of	1.3
Total maximum purchase consideration	5.4

The acquisition aligns to the Nexus strategic objective of diversifying into additional key sectors critical to the UK infrastructure.

Outlook

UK Government pledges to increase the number of houses being built through planning reforms and targets for councils, alongside reducing interest rates (if slower than initially expected) will help to improve confidence in the housebuilding sector during 2025. Tamdown is well placed to be involved as the housebuilders increase their volumes.

The acquisition of Coleman provides diversification of revenue streams, with the opportunities in the water sector from AMP8 and the work being carried out in the rail sector, resulting in the Group having less reliance on the housing sector.

Nexus subsidiaries are well placed to deliver over the coming year.

Dawn Hillman
Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 September 2024

	Note	2024 £'000	2023 £'000
Continuing operations			
Revenue	4	56,713	88,691
Cost of sales		(49,049)	(82,719)
Gross profit		7,664	5,972
Administrative expenses		(9,640)	(10,779)
Impairment loss	20	(1,789)	(2,935)
Other Income	5	1,819	-
Operating loss before exceptional items		(1,946)	(7,742)
Exceptional items	8	(279)	(645)
Operating loss		(2,225)	(8,387)
Finance income	11	151	447
Finance expense	11	(690)	(599)
Loss before tax		(2,764)	(8,540)
Taxation	12	-	46
Loss from continuing operations		(2,764)	(8,494)
Discontinued operations			
Profit from discontinued operations (after tax)	21	-	67,292
(Loss)/Profit and total comprehensive (loss)/income for the year attributable to equity holders of the parent		(2,764)	58,799
Earnings/(losses) per share (p per share)			
Basic (p per share) - total operations	14	(30.6)	238.96
Diluted (p per share) - total operations	14	(30.6)	238.96
Basic (p per share) - continuing operations	14	(30.6)	(34.52)
Diluted (p per share) - continuing operations	14	(30.6)	(34.52)
Basic (p per share) - discontinued operations	14	-	273.48
Diluted (p per share) - discontinued operations	14	-	273.48

There are no recognised gains and losses other than those shown in the income statement above and therefore no separate statement of other comprehensive income has been presented.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2024

		Group	Group	Company	Company
		2024	2023	2024	As restated
	Note	£'000	£'000	£'000	2023
					£'000
Non-current assets					
Property, plant and equipment	15	5,079	5,377	60	405
Right of use assets	16	10,273	11,435	32	42
Goodwill	17	2,361	2,361	-	-
Other receivable	20	-	-	6,329	6,278
Investments in subsidiaries	18	-	-	20,545	20,545
Total non-current assets		17,713	19,173	26,966	20,992
Current assets					
Inventories	19	-	44	-	44
Trade and other receivables	20	21,836	24,135	374	453
Contract assets	4	2,647	2,784	-	-
Cash and cash equivalents	25	12,801	14,626	9,383	11,797
Total current assets		37,284	41,589	9,757	18,572
Total assets		54,997	60,763	36,723	39,564
Current liabilities					
Trade and other payables	22	13,568	15,540	701	1,464
Contract liabilities	4	266	552	-	-
Lease liabilities	16	1,531	1,826	9	10
Corporation tax liability		12	18	-	-
Total current liabilities		15,377	17,936	710	1,474
Non-current liabilities					
Lease liabilities	16	9,638	9,818	23	32
Deferred tax liabilities	23	-	-	-	-
Total non-current liabilities		9,638	9,818	23	32
Total liabilities		25,015	27,754	733	1,507
Net assets		29,982	33,010	35,990	38,060
Equity attributable to equity holders of the Company					
Share capital	24	181	181	181	181
Share premium account		9,419	9,419	9,419	9,419
Retained earnings		20,382	23,410	26,390	28,460
Total equity		29,982	33,010	35,990	38,060

Retained earnings of the Company

The loss of the Company in the financial year amounted to £1,799,000 (2023: profit £70,577,000).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2024

	Note	Share capital £'000	Share premium account £'000	Retained earnings £'000	Total £'000
Equity as at 1 October 2022		911	9,419	23,810	34,140
Profit for the period		-	-	58,799	58,799
Total comprehensive income for the period		-	-	58,799	58,799
Transactions with owners					
Dividend paid	13	-	-	(90)	(90)
Share buyback		(743)	-	(59,808)	(60,551)
Share-based payments	28	-	-	700	700
Issue of share capital		13	-	-	13
		(730)	-	(59,198)	(59,929)
Equity as at 30 September 2023		181	9,419	23,410	33,010
Loss for the period		-	-	(2,764)	(2,764)
Total comprehensive (loss) for the period		-	-	(2,764)	(2,764)
Transactions with owners					
Dividend paid	13	-	-	(271)	(271)
		-	-	(271)	(271)
Equity as at 30 September 2024		181	9,419	20,284	29,882

COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2024

	Note	Share capital £'000	Share premium account £'000	Retained earnings £'000	Total £'000
Equity as at 1 October 2022		911	9,419	17,081	27,411
Profit for the period		-	-	70,577	70,577
Total comprehensive income for the period		-	-	70,577	70,577
Transactions with owners					
Dividend paid	13	-	-	(90)	(90)
Share buyback		(743)	-	(59,808)	(60,551)
Share-based payments	28	-	-	700	700
Issue of share capital		13	-	-	13
		(730)	-	(59,198)	(59,929)
Equity as at 30 September 2023		181	9,419	28,460	38,060
Loss for the period		-	-	(1,799)	(1,799)
Total comprehensive (loss) for the period		-	-	(1,799)	(1,799)
Transactions with owners					
Dividend paid	13	-	-	(271)	(271)
		-	-	(271)	(271)
Equity as at 30 September 2024		181	9,419	26,390	35,990

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 September 2024

		Group	Group	Company	Company
		2024	2023	2024	As restated
	Note	£'000	£'000	£'000	2023
					£'000
Cash flow from operating activities					
(Loss)/profit before tax from continuing and discontinued operations		(2,764)	58,753	(1,799)	70,577
Adjusted by:					
Gain on sale of subsidiaries	21	-	(67,292)	-	-
Profit on disposal of property, plant and equipment - owned	9	(153)	(573)	-	-
Share-based payments	28	-	700	-	700
Finance expense	11	(690)	(599)	(62)	5
Finance income	11	151	447	126	371
Depreciation of property, plant and equipment - owned	15	745	726	127	171
Depreciation of property, plant and equipment - right of use	16	1,882	1,618	9	1
Operating profit before working capital changes		249	(5,917)	(1,727)	71,082
Working capital adjustments:					
Decrease/(increase) in other receivables				(51)	
Decrease/(increase) in trade and other receivables	20	1,443	6,949	336	(85)
Decrease/(increase) in contract assets	4	138	(91)	-	-
Decrease/(Increase) in inventory	19	44	(744)	44	(1)
(Decrease)/increase in trade and other payables	22	(1,145)	(7,398)	(1,018)	(4,738)
(Decrease)/increase in contract liabilities	4	(261)	(59)	-	-
Cash (used in)/generated from operating activities		469	(7,260)	(2,421)	66,258
Interest paid	11	(690)	(599)	(62)	-
Taxation paid		-	242	-	-
Net cash (used in)/generated from operating activities		(221)	(7,617)	(2,483)	66,258
Cash flow from investing activities					
Purchase of property, plant and equipment - owned	15	(801)	(759)	-	(301)
Proceeds from disposal of property, plant and equipment - owned	15	514	1,408	227	-
Sale of discontinued operations	21	-	60,168	-	-
Loan to related party			-	(1,000)	-
Repayment of loan from related party			-	1,000	-
Interest received	11	151	447	126	371
Net cash generated from/(used) in investing activities		(136)	61,264	353	3,069
Cash flow from financing activities					
Dividend payment	13	(271)	(90)	(271)	(90)
Share buyback	24	-	(60,551)	-	(60,551)
Principal elements of lease repayments	25	(1,196)	(2,560)	(13)	(1)
Net proceeds from the issue of share capital		-	13	-	13
Net cash (used in)/generated from financing activities		(1,467)	(63,188)	(284)	(60,629)
Net change in cash and cash equivalents		(1,825)	(9,542)	(2,414)	8,698
Cash and cash equivalents at the beginning of the		14,626	24,168	11,797	3,099

year

Cash and cash equivalents at the end of the year	12,801	14,626	9,383	11,797
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Cash and cash equivalents comprise cash at bank.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2024

1. Accounting policies

General information

The principal activity of Nexus Infrastructure plc ("the Company") and its subsidiaries (together "the Group") is the provision of essential infrastructure solutions to the UK housebuilding and commercial sectors.

Those services comprise:

- Civil engineering & construction contracts.

The principal trading subsidiaries are Tamdown Group Limited, Tamdown Services Limited, Tamdown Plant Hire Limited and Nexus Park Limited.

The subsidiaries TriConnex Limited and eSmart Networks Limited were classified as discontinued during the year to 30 September 2023 due to the sale of these subsidiaries in February 2023. Their results have been presented within the income statement as discontinued operations.

The Company is a public limited company (by shares) which is listed on the Alternative Investment Market ("AIM") of the London Stock Exchange and is incorporated and registered in England and Wales under the Companies Act 2006 and domiciled in the United Kingdom. The address of the registered office is Nexus Park, Avenue East, Skyline 120, Great Notley, Braintree, Essex, CM77 7AL.

The registered number of the Company is 05635505.

Basis of preparation

The consolidated and Company financial statements are for the year ended 30 September 2024. The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The consolidated and Company financial statements have been prepared under the historical cost convention and are presented in sterling, rounded to the nearest thousand except where indicated otherwise.

The accounting policies have been applied consistently, other than where new policies have been adopted.

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

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

For a summary of critical accounting estimates and judgements please see note 2 to the financial statements.

The financial statements for the year ended 30 September 2024 for Nexus Park Limited, Tamdown Plant Hire Limited and Tamdown Services Limited have been exempted from audit under Section 479A of the Companies Act 2006 by way of parental guarantee from Nexus Infrastructure plc.

Company results

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act and has not presented its own statement of comprehensive income. The Group loss for the year includes a loss for the Company of £1,799,000 (2023: Profit £70,577,000).

Basis of consolidation

Subsidiaries are all entities (including structured 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 with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The consolidated financial statements present the results of the Company and its subsidiaries as if they form a single entity. Inter-company transactions and balances are therefore eliminated in full. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Going concern

In determining the appropriate basis of preparation of these financial statements, the Directors are required to consider whether the Group can continue in operational existence. Budgets for the two-year period to September 2026 have been prepared and approved by the Board; they reflect a cautious view on the trading outlook based on the current market. When producing the budgets the Group considered the government plans to increase housebuilding, overall improvements in the housebuilding sector and the impact these have on revenues. The Group also considered the gross margin improvement in Tamdown and cost reduction measures taken.

These budgets were then subject to a range of sensitivities including a severe but plausible scenario together with mitigating actions. Changes to the principal assumptions included:

- a reduction in work secured of approximately 20%;
- a reduction in revenue delivered from order book of approximately 10%; and
- a reduction in gross profit of approximately 2% for contracts in the pipeline

Based on the results of the analysis undertaken, the Directors have a reasonable expectation that the Group has adequate resources to meet its liabilities as they arise for at least 12 months from the approval of these financial statements, and consequently, the Directors have adopted the going concern basis of accounting in the preparation of these financial statements.

New and amended standards adopted by the Group

The Group has considered amended standards which apply to the financial period and consider that there have been no new standards, interpretations or amendments to accounts standards which the Group needed to consider applying for their annual report period commencing 1 October 2023. The amendments the Group considered are:

- Definition of Accounting Estimates - amendments to IAS 8;
- International Tax Reform - Pillar Two Model Rules - amendments to IAS 12;
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction - amendments to IAS 12; and
- Disclosure of Accounting Policies - amendments to IAS 1 and IFRS practice Statement 2;

Standards, interpretations and amendments in issue but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 September 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods.

The accounting standards and interpretations which the Group are considering are :

- Lease liability in a sale and leaseback transaction - amendments to IFRS 16
- Classification of liabilities as current or non-current - amendments to IAS 1
- Non-current liabilities with covenants - amendments to IAS 1
- Supplier finance arrangement - amendments

Revenue recognition

Revenue represents the fair value of consideration received or receivable for goods and services provided to external customers, net of trade discounts and excluding value add tax and similar sales-based taxes.

The services provided by the Group are:

- contract revenue from Civil Engineering and construction contracts.

In line with IFRS 15, the Group recognises revenue based on the application of the standard's principle-based 'five step' model to the Group's contracts with customers using the input approach. The revenue is recognised on the basis of direct measurement of the value to the customer of the goods transferred to the measurement date relative to the remaining goods promised under the contract.

Civil engineering & construction contracts

The performance obligations and transaction price are determined within contracts between the customer and the Company. Each contract has one performance obligation, the provision of specific construction activities. Contract modifications are added to existing contracts where they are changes to the scope or design of the original contracts. There are no variable consideration elements attached to any of the contracts. The revenue is recognised over time as the Company's performance of its obligations creates or enhances an asset that the customer controls. Payment of the transaction price is typically due up to a maximum of 45 days after the valuation is submitted.

Revenue is recognised over the period of the contract by reference to the stage of completion. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

Contract costs are recognised as expenses when incurred. When it is probable that total costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract assets (as discussed in IFRS 15.107) are recognised when the Group recognises revenue before the customer pays consideration or before payment is due. This asset is assessed for impairment in accordance with IFRS 9.

Contract liabilities (as discussed in IFRS 15.106) are recognised if a customer pays consideration before the entity transfers a good or service.

Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with other Group companies. All operating segments' operating results are regularly reviewed by the CEO & CFO, who are identified as the Chief Operating Decision Maker to make decisions about resources to be allocated to the segment and to assess its performance.

Inventory

Inventory is stated at the lower of costs and net realisable value. Cost of inventory is recognised at purchase cost and is determined as follows:

- | | |
|-----------------|------------------------------|
| • Raw materials | Weighted average rate method |
| • Consumables | Weighted average rate method |

Net realisable value for raw materials is based on an estimated selling price less any further costs expected to be incurred for completion and disposal. Consumables are generally not resold.

Inventory is assessed for write-downs and, if written-down, the write-off is recognised immediately in the income statement.

Retirement benefits: defined contribution schemes

Obligations for contributions to the defined contribution scheme are charged to the consolidated statement of comprehensive income in the year to which they relate.

Exceptional items

Items that are unusual or infrequent in nature are presented in the consolidated statement of comprehensive income as exceptional items.

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all items of property, plant and equipment so as to write off their carrying value over the expected useful life. Land and buildings in construction are not depreciated. Other assets are depreciated at the following rates:

- | | |
|--------------------------|----------------------------|
| • Plant and machinery | 25% reducing balance |
| • Motor vehicles | 25% reducing balance |
| • Fixtures and fittings | 3-10 years straight-line |
| • Leasehold improvements | over the life of the lease |

Depreciation charge commences when the assets is available for use.

The assets' residual values, useful life and depreciation methods are reviewed annually, and adjusted if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss.

Right of use assets

Right of use assets are measured at cost less accumulated depreciation and accumulated impairment losses. Right of use assets are recognised with a corresponding liability at the date at which the leased asset is available for use. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of comprehensive income over the lease period. The right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments and penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the rate implicit in the lease. If that rate cannot be determined, the Group's

incremental borrowing rate is used, being the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the consolidated statement of comprehensive income.

If an item is purchased at the end of the lease period, it will be shown as an addition transferred from right of use assets.

Finance Income and Expenses

Finance income includes interest receivable on bank deposits.

Finance expenses includes interest on hire purchase agreements and leases for right of use assets.

Intangible assets - goodwill

Goodwill is the excess of the costs of an acquired entity over the net of the amounts assigned to assets acquired and liabilities assumed. It is capitalised as an intangible asset and allocated to cash generating units (with separately identifiable cash flows) and tested for goodwill impairment on an annual basis, or more regularly where there are indicators of impairment. This requires an estimation of the value-in-use of the cash generating units to which the assets have been allocated. The value-in-use calculation requires the Directors to estimate the future cash flows expected to be generated by the cash generating units, and a suitable discount rate and long-term growth rate to apply in order to calculate present value. During the period, these estimates resulted in no impairment charge (2023: £nil) relating to goodwill. Refer to note 16 for the details of impairment review and the sensitivities applied.

Intangible assets - impairment

Intangible assets with indefinite lives are subject to impairment tests annually at the financial year end. The carrying values of non-financial assets with finite lives are reviewed for impairment when there is an indication that assets might be impaired. When the carrying value of an asset exceeds its recoverable amount, the asset is written down accordingly.

When it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash generating unit (i.e. the smallest group of assets in which the asset belongs for which there are separately identifiable cash flows).

Impairment charges are included in the consolidated statement of comprehensive income, except to the extent they reverse previous gains recognised in the consolidated statement of comprehensive income. An impairment loss recognised for goodwill is not reversed.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and deposits held with financial institutions with maturities of three months or less from acquisition. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The Group does not have a bank overdraft.

Financial instruments

The Group classifies its financial assets into the following three measurement categories based on the way the asset is managed and its contractual cash flow characteristics:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on the principal amount outstanding are measured at amortised cost.

Fair value through other comprehensive income ("FVOCI")

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI.

Fair value through profit or loss

Assets that do not meet the criteria of amortised cost or FVOCI are measured at fair value through profit or loss.

The Group's principal financial instruments comprise cash and cash equivalents, trade and other receivables, contract assets, trade and other payables and contract liabilities. Based on the way these financial instruments are being managed, and their contractual cash flow characteristics, all the Group's financial instruments are measured at amortised cost.

Financial instruments - impairment

The Group assesses the expected credit losses associated with its financial assets measured at amortised cost on a forward-looking basis. The Group applies the simplified approach, as permitted by IFRS 9, to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets on an individual customer basis.

Expected credit losses are assessed on an individual basis by considering possible defaults for the next 12 months. A monthly review of debt is included in contract review meetings. These meetings also consider the progress on the contract and assess any final margin adjustments which may be required. The customers financial position is monitored by tracking of accounts filed and public announcements. Any debt outstanding for more than four years is written off in full. Any impairment gain or

loss is recognised in the profit and loss statements.

Investments

Subsidiaries

The Company has investments in subsidiaries which are carried at historical cost, less any provision for impairment.

The Group tests for impairment of its investment in subsidiaries on an annual basis, or more regularly where there are indicators of impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. This requires an estimation of the value-in-use of the cash generating units to which the investment has been allocated. The value-in-use calculation requires the Directors to estimate the future cash flows expected to be generated by the cash generating units, and a suitable discount rate and long-term growth rate to apply in order to calculate present value. During the period, these estimates resulted in no impairment charge (2023: £nil) relating to investments in the subsidiaries.

Share capital and retained earnings

Ordinary shares are classified as equity. Incremental costs attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Retained earnings are classified as equity.

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability, which is a contractual obligation to deliver cash or similar to another entity or a potentially unfavourable exchange of financial assets or liabilities with another entity.

Dividends

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

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

Tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the date of the statement of financial position, and any adjustment to tax payable in respect of previous years.

Deferred tax liabilities are recognised in full using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial and reporting purposes and the amounts used for taxation purposes, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit; and
- investments in subsidiaries are jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

The recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable Group company; or
- different company entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets and liabilities are expected to be settled or recovered.

Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and represents a separate major line of business or geographical area of operations.

Certain comparative figures have been reclassified to discontinued operations, as a result of the sale of TriConnex Limited and eSmart Networks Limited on 3 February 2023 for £77.7m. The gain on the sale is shown in the statement of comprehensive income as profit for discontinued operations in FY23.

Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow will be required to settle the obligation, and the amount can be reliably estimated. Provisions are presented at the present value of the best estimate of the consideration required to settle the obligation present at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When the Group expects some or all of a provision in respect of a completed contract to be reimbursed, for example, under an insurance contract or a contractual right to recourse from supply chain partners, the reimbursement is recognised as a separate asset when the reimbursement is virtually certain. A completed contract is deemed to be one where practical completion has taken place, the defect liability period has expired, and any outstanding retentions have been recovered.

The Group will disclose a contingent liability unless the possibility of an outflow of resources is remote. Where a contingent liability disclosure is made the Group will consider whether the financial impact can be estimated, the uncertainties relating to the estimate, the timing of any outflow and the possibility of any reimbursement.

2. Critical accounting estimates and judgements

The Group makes certain estimates and judgements regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances.

Judgements

The most significant areas of judgement arise from recoverability of debt and impairment of goodwill and investments.

a) Recoverability of debt

As part of the process of gaining new business it is necessary to carry out checks on the organisations for which the Group will carry out work. The value of individual contracts is substantial and the risk of default is always present. During the year detailed reviews are undertaken by the Directors; estimating the non-recoverability of debt. These reviews and estimations are seen as critical. Judgement is necessary to assess the likelihood that a liability will arise, or a debt is not recoverable and to quantify the possible amount of any expected credit loss. The inherent uncertainty of such matters means that actual amounts of transactions may differ materially from estimates made. Any difference between the amounts recognized and the actual amount is recognised immediately in the statement of comprehensive income.

b) Impairment of goodwill and investments

The Group tests goodwill annually for impairment, based on discounted future cash flows. The Company tests investments annually for impairment, based on discounted future cash flows. These calculations require judgement to assess the future cash flows and to assess the growth level assessments. The inherent uncertainty of such matters means that actual amounts of transactions may differ materially from estimates made. Any difference between the amounts recognized and the actual amount is recognised immediately in the statement of comprehensive income.

Estimates

The most significant area of estimation arises from accounting for profitability of contracts.

a) Profitability of contracts

Contract accounting requires estimates to be made for contract costs and income. In many cases, these contractual obligations span more than one financial period. The costs and income may be affected by a number of uncertainties that depend on the outcome of future events and may need to be revised as events unfold and uncertainties are resolved. Management bases its estimation of costs and income and its assessment of the expected outcome of each contractual obligation on the latest available information, which includes detailed contract valuations and forecast of the costs to complete. The estimates of the contract position, reflecting both the forecasted costs and the reliable estimate of the forecasted revenue on each contract, and the profit or loss earned to date are updated regularly and significant changes are highlighted through established internal reporting and review procedures. The impact of any change in the accounting estimates is then reflected in the financial statements.

3. Capital management

The Group's capital is made up of share capital, share premium and retained earnings totalling £29,982,000 (2023: £33,010,000).

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing services commensurately with the level of risk.

The capital structure of the Group consists of shareholders' equity as set out in the consolidated statement of changes in equity. All working capital requirements are financed from existing cash resources.

Note 23 to the financial statements provides details of how the Group manages its capital structure and makes adjustments to it in light of changes in economic conditions.

4. Revenue

Revenues from external customers for continuing operations are generated from the supply of services relating to Civil Engineering and construction contracts. Revenues from external customers for discontinued operations are generated from the supply of design, installation and connection of multi-utility networks, and energy transition projects. Revenue is recognised in the following operating divisions:

	2024 Continuing Operations £'000	2024 Total £'000
Segment revenue	56,713	56,713
Revenue from external customers	56,713	56,713
Timing of revenue recognition		
Over time	56,713	56,713
Customer type		
Residential	56,713	56,713
	56,713	56,713

	2023 Continuing Operations £'000	2023 Discontinued Operations £'000	2023 Total £'000
Segment revenue	88,691	23,484	112,175
Inter-segment revenue	-	-	-
Revenue from external customers	88,691	23,484	112,175
Timing of revenue recognition			
Over time	88,691	23,484	112,175
Customer type			
Residential	87,839	17,992	105,831
Non-residential	852	5,492	6,344
	88,691	23,484	112,175

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

	2024 £'000	2023 £'000
Contract assets		
Accrued income - continuing operations	2,647	2,784
Total	2,647	2,784

The decrease in contract assets during the year is due to the timing of applications/invoices to external customers and materials held on site for imminent works.

	2024 £'000	2023 £'000
Contract liabilities		
Deferred income - continuing operations	266	552
Total	266	552

The decrease in contract liabilities during the year is due to the timing of invoices to external customers exceeding the revenue recognised.

The following table shows how much of the revenue from external customers relates to the contract liabilities at the beginning of the year:

	30 September 2024 £'000	30 September 2023 £'000
	554	1,664

Management expects that £36,582,568 representing 71.5% (2023: £31,477,000 representing 67.4%) of the transaction price allocated to unsatisfied performance obligations as at 30 September 2024 will be recognised within one year and the remaining £14,568,000 representing 28.5% (2023: £15,193,000 representing 32.6%) within two to five years.

The Group has not recognised any assets in relation to costs to fulfil a contract (2023: £nil).

More than one customer is responsible for over 10% of revenue and details are presented below:

	2024 £'000	2023 £'000
Tamdown		
Customer 1	-	14,995
Customer 2	-	15,000
Customer 3	11,916	12,962
Customer 4	12,112	11,000
Customer 5	14,597	8,759
Customer 6	7,138	-

5. Other income

Other income of £1.8m comes from the settlement of a claim against a supplier for damages caused by the supply of faulty services.

	2024 £'000	2023 £'000
Income from claim	1,819	-
	1,819	-

6. Segmental analysis- income statement

The Group has one operating division under the control of the Executive Board, which is identified as the Chief Operating Decision Maker as defined under IFRS 8: Operating Segment:

- Tamdown

All of the Group's operations are carried out entirely within the United Kingdom.

The results for TriConnex and eSmart Networks have been presented as discontinued under IFRS 5, with the Tamdown and Group administration expenses comprising the continuing operations below. The related assets and liabilities of these operations have been similarly presented.

Segment information about the Group's operations is presented below:

	2024 £'000	2023 £'000
Revenue from continuing operations		
Tamdown	56,713	87,839
Nexus Infrastructure plc	-	841
Nexus Park Ltd	-	11
Total revenue from continuing operations	56,713	88,691
Revenue from discontinued operations		
TriConnex	-	17,992
eSmart Networks	-	5,492
Total revenue from discontinued operations	-	23,484
Total revenue	56,713	112,175
Gross profit from continuing operations		
Tamdown	7,664	5,120
Nexus Infrastructure plc	-	841
Nexus Park Ltd	-	11
Total gross profit from continuing operations	7,664	5,972
Gross profit from discontinued operations		
TriConnex	-	4,649
eSmart Networks	-	1,256
Total gross profit from discontinued operations	-	5,905
Total gross profit	7,664	11,036
Operating (loss)/profit from continuing operations after exceptional items		
Tamdown	(353)	(6,031)
Group administrative expenses	(1,863)	(2,356)
Nexus Park	(9)	-
Total operating (loss) from continuing operations after exceptional items	(2,225)	(8,387)
Operating profit/(loss) from discontinued operations after exceptional items		
TriConnex	-	850
eSmart Networks	-	(1,102)
Total operating (loss)/profit from discontinued operations after exceptional items	-	(252)
Total operating (loss)/profit after exceptional items	(2,225)	(8,639)

The value of depreciation included in the measure of segment profit is:

	2024 £'000	2023 £'000
Tamdown	1,616	1,284
Group	1,011	1,060
Total depreciation - continuing operations	2,627	2,344
Total depreciation	2,627	2,344

7. Segmental analysis - Statement of Financial Position

Balance sheet analysis of operating segments:

	2024 Assets £'000	2024 Liabilities £'000	2024 Net assets £'000
Continuing operations			
Tamdown	29,307	14,196	15,110
Group	25,690	10,819	14,871
Total for continuing operations	54,997	25,015	29,982

	2023 Assets £'000	2023 Liabilities £'000	2023 Net assets £'000
Continuing operations			
Tamdown	31,729	16,355	15,374
Group	29,034	11,399	17,636
Total for continuing operations	60,763	27,754	33,010

Group represents head office expenses after deducting income received from transitional services agreement. Assets classified within Group principally comprise goodwill and a right of use asset. Liabilities classified within Group principally comprise lease liabilities and creditors.

8. Exceptional items

	2024 £'000	2023 £'000
Continuing operations		
Redundancy costs	279	645

Total	279	645
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9. Operating loss

The operating loss is stated after charging/(crediting):

	2024 £'000	2023 £'000
Continuing operations		
Depreciation of property, plant and equipment	745	726
Depreciation of right of use assets	1,882	1,618
Profit on disposal of assets	(153)	(573)
Audit and non-audit services:		
Fees payable to the Company's auditors for the audit of the Company and consolidated financial statements	88	110
Fees payable to the Company's auditors for the audit of the Company's subsidiaries pursuant to legislation	90	85

There have been no fees payable to the Company's auditors in respect of non-audit remuneration.

10. Staff costs

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Continuing operations				
Wages and salaries	14,668	19,585	1,249	2,148
Share-based payments	-	700	-	700
Social security costs	1,606	2,205	167	252
Other pension costs	259	382	13	55
Total - continuing operations	16,533	22,872	1,428	3,155
Discontinued operations				
Wages and salaries	-	3,333	-	-
Social security costs	-	372	-	-
Other pension costs	-	60	-	-
Total - discontinued operations	-	3,765	-	-
Total operations	16,533	26,637	1,428	3,155

The average monthly number of employees (including Directors) during the year was:

	2024	2023
Continuing operations		

Tamdown	233	377
Group	15	29
Discontinued operations		
TriConnex	-	246
eSmart Networks	-	110
	248	762

The average number of people employed by the Company (including Directors) during the year was 15 (2023: 29).

The Directors of the Group are considered by the Board to be the key management of the Group, for which remuneration in the year ended 30 September 2024 totalled £644,000 (2023: £862,000), including: short-term employee benefits £27,000 (2023: £42,000), employer pension contributions £4,000 (2023: £34,000) and share-based payment charge £nil (2023: £450,000).

11. Finance income and expense

	2024 £'000	2023 £'000
Finance income		
Continuing operations		
Interest on bank deposits	151	447
Discontinued operations		
Interest on bank deposits	-	26
Finance expense		
Continuing operations		
Interest on hire purchase agreements	-	(56)
Interest on lease liabilities	(690)	(543)
	(690)	(599)
Discontinued operations		
Interest on lease liabilities	-	(21)
	-	(21)
Finance expense (net)	(539)	(152)

12. Taxation

	2024 £'000	2023 £'000
Current tax - continuing operations:		
UK corporation tax on profits for the year	-	-
Adjustment in respect of prior periods	-	50
Total current tax	-	50
Deferred tax - continuing operations:		
Origination and reversal of timing difference	75	(34)
Adjustment in respect of prior periods	(75)	(55)
Effect of tax rate change on opening balance	-	(8)
Total deferred tax - discontinued operations	-	(96)
Total deferred tax	-	(96)
Total tax charge	-	(46)

The tax assessed for the year is lower than (2023: lower than) the standard rate of corporation tax as applied in the UK. The differences are explained below:

	2024 £'000	2023 £'000
(Loss)/profit before tax	(2,764)	58,813
(Loss)/profit before tax multiplied by the respective standard rate of corporation tax applicable in the UK (25%) (2023: 22.1%)	(691)	12,998
Effects of:		
Fixed asset differences	2	(11)
Non-deductible expenses	48	1,760
Income not taxable for tax purposes	-	(16,713)
Other tax adjustments, reliefs and transfers	-	-
Chargeable gains/losses	-	(58)
Group income	-	247
Adjustment in respect of prior periods - current tax	-	38
Adjustment in respect of prior periods - deferred tax	(75)	(55)
Remeasurement of deferred tax for changes in tax rates	-	(251)
Movement in deferred tax not recognised	715	1,999
Total tax charge	-	(46)
Income tax expense from continuing operations	-	(46)
Income tax expense from discontinued operations	-	-
Total tax (credit)/charge	-	(46)

There was no income tax (charged)/credited directly to equity in the year (2023: £nil).

At the balance sheet date, the Group has unused tax losses of £9.6m (2023: £7.85m) and other fixed asset and short-term temporary differences of £103kk (2023: £142k) available for offset against future profits with an indefinite expiry period. Based on the projections, there are insufficient future taxable profits to justify the recognition of a deferred tax asset. On this basis, no deferred tax asset has been recognised in the current year, the unrecognised deferred tax asset calculated at the substantively enacted rate in the UK of 25% amounts to £2.87m as at 30 September 2024 (2023: £1.99m).

13. Dividends

	2024 £'000	2023 £'000
Group and Company		
Amounts recognised as distributions to equity holders in the year:		
Interim dividend for the year ended 30 September 2024 of 1p per share (2023: 1.0p per share)	90	90
Final dividend for the year ended 30 September 2023 of £2p per share (2022: £nil per share)	181	-
	271	90

The proposed final dividend for the year ended 30 September 2024 of 2.0p per share (2023: 2.0p per share) makes a total dividend for the year of 3.0p per share (2023: 3.0p per share). The proposed final dividend is subject to approval by shareholders at a GM and has not been included as a liability in these financial statements. The total estimated final dividend to be paid is £180,686 (2023: £180,686).

14. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of shares in issue for the year.

Diluted earnings per share is calculated by adjusting the weighted average number of shares in issue for the year to assume conversion of all dilutive potential shares.

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

	2024 £'000	2023 £'000
Weighted average number of shares in issue for the year	9,034,307	24,605,883
Effect of dilutive potential ordinary shares:		
Share options (number)	-	-
Weighted average number of shares for the purpose of diluted earnings per share	9,034,307	24,605,883
(Loss)/Profit for the year attributable to equity shareholders	(2,764)	58,799
Basic earnings (p per share)	(30.60)	238.96
Diluted earnings (p per share)	(30.60)	238.96
Continuing operations		
Loss for the year from continuing operations	(2,764)	(8,494)
Basic losses (p per share)	(30.60)	(34.52)
Diluted losses (p per share)	(30.60)	(34.52)
There are no share options in place so no dilutive effect on the earnings per share		
Discontinued operations		
Profit for the year from discontinued operations	-	67,292
Basic earnings (p per share)	-	273.48
Diluted earnings (p per share)	-	273.48

15. Property, plant and equipment

Group	Leasehold improvements £'000	Plant and machinery £'000	Motor vehicles £'000	Fixtures and fittings £'000	Total £'000
Cost					
At 1 October 2022	4,050	2,131	135	1,884	8,200
Additions	-	183	299	347	829
Disposals	-	(2,826)	(54)	(68)	(2,948)
Transfer from right of use assets	-	2,384	-	-	2,389
At 30 September 2023	4,050	1,872	380	2,163	8,465
Additions	-	618	184	-	801
Disposals	(658)	(661)	(30)	(416)	(1,764)
At 30 September 2024	3,392	1,829	534	1,747	7,502
Accumulated depreciation					
At 1 October 2022	742	1,523	86	390	2,741
Charge for the year	170	156	33	357	726
Disposals	-	(1,983)	(49)	(28)	(2,060)
Transfer from right of use assets	-	1,681	-	-	1,681
At 30 September 2023	912	1,377	70	729	3,088
Charge for the year	169	156	116	293	745
Disposals	(658)	(540)	(13)	(189)	(1,400)
At 30 September 2024	423	993	172	833	2,423
Net book value					
At 30 September 2022	3,308	608	49	1,494	5,459
At 30 September 2023	3,138	495	310	1,434	5,377
At 30 September 2024	2,968	834	361	913	5,079

Company	Fixtures and fittings £'000
Cost	
At 1 October 2022	345
Additions	301
At 30 September 2023	646
Disposals	(408)
At 30 September 2024	228
Accumulated depreciation	
At 1 October 2022	70
Charge for the year	171
At 30 September 2023	241
Charge for the year	127
Disposals	(190)
At 30 September 2024	168
Net book value	
At 30 September 2022	275
At 30 September 2023	405
At 30 September 2024	60

16. Right of use assets and lease liabilities

The Group has leases for freehold property, plant and machinery, motor vehicles and fixtures and fittings. Leases for freehold property relate mainly to office properties, whilst the plant and machinery leases are predominantly large machinery used in site operations.

The statement of financial position shows the following information relating to right of use assets and leases:

	2024 £'000	2023 £'000
Right of use assets		
Freehold property	9,583	10,217
Plant and machinery	415	610
Motor vehicles	275	604
Fixtures and fittings	-	4
	10,273	11,435
Lease liabilities		
Current	1,531	1,826
Non-current	9,638	9,818
	11,169	11,644

Additions to the right of use assets during the year were £710,000 (2023: £1,088,000). Disposals of £514,000 (2023: £1,408,000) were also recorded. The right of use assets transferred to property, plant and equipment during the year was £nil (2023: £2,384,000).

The statement of comprehensive income shows the following amounts relating to right of use assets and leases:

	2024 £'000	2023 £'000
Depreciation		

Freehold property	677	697
Plant and machinery	895	606
Motor vehicles	310	315
Fixtures and fittings	-	-
	1,882	1,618
Interest expense	(690)	(599)
Expenses relating to short-term leases	-	127
Expenses relating to low-value leases that are not shown above as short-term leases	19	7

The total cash outflow for leases during the year was £2,302,000 (2023: £1,472,000).

The present value of lease liabilities is as follows:

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Within one year	2,097	1,830	9	10
Two to five years	3,509	4,308	23	32
Over five years	13,467	14,842	-	-
Future finance charge on lease liabilities	(7,905)	(9,336)	-	-
Present value of lease liabilities	11,169	11,644	32	42

The comparatives in the above table have been changed to ensure consistency of presentation with the current year along with the ROU additions and principal lease payments on the cashflow statement and table in the cash flow information note to align with the current year presentation.

Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations.

17. Goodwill

	2024 £'000	2023 £'000
Carrying value	2,361	2,361

Impairment testing

The Group tests goodwill annually for impairment. During the year, impairment tests were undertaken over the goodwill of Tamdown Group Limited £2,361,000 (2023: £2,361,000).

There is considered to be one cash generating unit in the Group which will provide the future economic benefit to the Group, this cash generating unit is Tamdown Group Limited which is the main operational business.

A post-tax discount rate of 12.0% (2023: 12.0%) has been used in the cashflow calculation, which is based upon the capital structure of the Group. The pre-tax discount rate would be 16.0% (2023: 16.0%). Changes to the capital structure may impact upon the Group's discount rate in future periods. The key assumptions utilised within the forecast model relate to the level of future sales, which have been estimated based upon the Directors' expectations, current trading and recent actual trading performance. The value-in-use calculation indicates that Tamdown Group Limited has a recoverable amount which is greater than the carrying amount of assets allocated to them. The Directors have undertaken sensitivity analysis including

decreasing revenue through work winning (reduced by 20%) and activity from the order book (reduced by 10%) and gross margins (reduced by 2%), which indicates that a reasonable change in assumption will not give rise to an impairment.

The recoverable amount was determined using a value-in-use calculation based upon Directors' forecasts for the trading results for the three years ending 30 September 2025 extended to 30 September 2027 using an estimated growth rates of 11% (2025), 24.9% (2026) and 11.5% (2027). Post 2027 an average growth rate of 7.5% has been used.

The following table sets out the key assumptions for Tamdown Group Limited, which has goodwill attached to it:

	2025	2026	2027+	2028+
Revenue (% annual growth rate)	21.5%	24.9%	11.5%	7.5%
Gross margin	13.9%	15.0%	15.0%	15.0%
Operating margin	1.9%	4.2%	4.9%	5.2%

18. Investments in subsidiaries

	2024 £'000	2023 £'000
Investments in subsidiary companies	20,545	20,545

The following are subsidiaries of Nexus Infrastructure plc, which owns 100% of the ordinary share capital, all of which are registered in England and Wales:

	Activity
Tamdown Group Limited	Construction services
Tamdown Services Limited ¹	Supply of labour to the construction industry
Tamdown Plant Hire Limited ¹	Engineering plant hire
Nexus Park Limited	Development of building projects

1. Held by Tamdown Group Limited

The registered address of all subsidiaries is Nexus Park, Avenue East, Skyline 120, Great Notley, Braintree, Essex, CM77 7AL.

Investments in Group undertakings are recorded at cost less any impairment charge.

The financial statements for the year ended 30 September 2024 for Nexus Park Limited, Tamdown Plant Hire Limited and Tamdown Services Limited have been exempted from audit under Section 479A of the Companies Act 2006 by way of parental guarantee from Nexus Infrastructure plc.

19. Inventories

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Consumables	-	44	-	44
	-	44	-	44

The value of raw materials purchased as inventory and later recognised as an expense in the year ended 30 September 2024 amounted to £nil (2023: £nil).

There were no write-downs of raw materials during the year.

20. Trade and other receivables

Non-current assets	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company As restated 2023 £'000
Other receivables	-	-	6,329	6,278
	-	-	6,329	6,278

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company As restated 2023 £'000
Current assets				
Trade receivables from contracts with customers	20,536	23,272	64	340
Other receivables	678	524	8	2
Prepayments	622	338	96	111
Amounts owed by Group undertakings	-	-	206	-
	21,836	24,135	374	453

Prior year restatement

The company results for the year ended 30 September 2023 have been restated to recognise the longer-term nature of the receivable from Nexus Park Ltd.

As a result, the company has reclassified balances as follows

	As reported 30 September 2023 £'000	Restatement £'000	As restated 30 September 2023 £'000
--	--	----------------------	--

Non-current assets			
Other receivables	-	6,278	6,278
Current assets			
Trade and other receivables	6,731	(6,278)	453
	As reported 1 October 2022 £'000	Restatement £'000	As restated 1 October 2022 £'000
Non-current assets			
Other receivables	-	5,955	5,955
Current assets			
Trade and other receivables	6,312	(5,955)	357

Basic and diluted earnings per share for the prior year have not been restated as a result of the above as there has been no impact on the statement of comprehensive income.

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Overdue trade receivables				
By less than three months	2,740	3,444	64	339
Over three but less than six months	427	1,465	-	-
Over six months but less than one year	1,401	1,574	-	-
Over one year	3,234	3,248	-	-
	7,802	9,731	64	339

The carrying value of trade receivables is stated after the following allowance for expected credit losses:

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
At 1 October	1,070	1,056	-	-
Charged to the statement of comprehensive income	2,004	99	-	-
(Written back) to the statement of comprehensive income	(215)	(85)	-	-
At 30 September	2,859	1,070	-	-

The statement of comprehensive income includes a credit loss of £2,935,000 in 2023 which relates to the expected future losses on trade receivables. Amounts owed by Group undertakings are unsecured, repayable on demand and interest free. Expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date. No allowance for expected credit losses related to amounts owed by Group undertakings is deemed necessary as the amounts due are from 100% owned subsidiaries which would be supported by the parent company. The above trade and other receivables are shown net of their expected credit loss allowances, which total £0.88m (2023: £1.07m). The Group's standard invoice payment terms are 35 days.

Due to the nature of the current receivables, their carrying value is considered to be the same as their fair value.

21. Assets held for sale and associated liabilities, and discontinued operations

On 30 December 2022, the Group announced its intention to dispose of the subsidiaries TriConnex Ltd and eSmart Networks Ltd. The disposal completed on 3 February 2023 and the former subsidiaries were reported in the financial statements for the period to 30 September 2023 as discontinued operations. Financial information relating to the discontinued operations for the period to the date of disposal are set out below. The financial performance and cash flow information presented are for the four months ended 31 January 2023.

	Total 2023 £'000	TriConnex 2023 £'000	eSmart Networks 2023 £'000
Revenue	23,484	17,992	5,492
Expenses	(23,795)	(16,942)	(6,853)
(Loss)/profit before income tax	(312)	1,049	(1,361)
Income tax expense	60	(199)	259
(Loss)/profit after income tax of discontinued operations	(252)	850	(1,102)
Gain on sale of subsidiaries (see below)	67,545		
Total gain on sale of subsidiary	67,292		

Consideration received:	Total 2023 £'000	TriConnex 2023 £'000	eSmart 2023 £'000
Cash	77,700	-	-
Carrying amount of net assets sold	7,746	9,080	(1,333)
Costs related to the sale of the discontinued operations	(2,409)	-	-
Gain on sale after income tax	67,545	-	-

The carrying amounts of assets and liabilities as at the date of sale (3 February 2023) were:

	Total 2023 £'000
Non-current assets	
Property, plant and equipment	798
Right of use assets	1,585
Total non-current assets	2,383
Current assets	
Inventories	3,625
Trade and other receivables	14,450
Contract assets	23,232
Corporation tax asset	330

Cash	15,123
Total current assets	56,760
Total assets	59,143
Current liabilities	
Trade and other creditors	15,123
Contract liabilities	34,449
Lease liabilities	513
Corporation tax liability	314
Total current liabilities	50,399
Non-current liabilities	
Lease liabilities	883
Deferred tax liabilities	115
Total non-current liabilities	998
Total liabilities	51,397
Net assets	7,746

22. Trade and other payables

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Trade payables	12,055	13,683	201	108
Other payables	373	492	149	33
Accruals	656	804	309	367
Social security and other tax payable	484	561	42	51
Amounts owed to Group undertakings	-	-	-	905
Current	13,568	15,540	701	1,464

Other payables comprises payroll-related liabilities.

Amounts owed to Group undertakings are unsecured, repayable on demand and interest free.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

23. Deferred tax

Net deferred tax position

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
At 1 October	-	96	-	-
Charge/(credit) for the year	-	(96)	-	-
Transfer to assets held for sale	-	-	-	-
At 30 September	-	-	-	-

The unrecognised deferred tax asset on losses is £2.87m (2023: £nil).

24. Share capital

In the prior year, the Group purchased 37,147,878 ordinary shares of £0.02 for cancellation at £1.63 per ordinary share, as part of a capital distribution. This returned £60.5m to shareholders by way of a tender Offer following the sale of TriConnex and eSmart Networks.

Shares are fully paid at par and the rights attached to the ordinary shares are disclosed within the articles of association.

	2024 £'000	2023 £'000
Group and Company		
9,034,307 (2023: 9,034,307) ordinary shares of £0.02 each (authorised and in issue)	181	181
	181	181

25. Cash flow information

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Cash and cash equivalents	12,801	14,626	9,383	11,797
Lease liabilities	(11,169)	(11,644)	(32)	(43)
Net (debt)/cash	1,632	2,982	9,351	11,754

	Assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Lease liabilities	
	£'000	£'000	£'000
Net (debt)/cash at 1 October 2022	24,168	(12,456)	11,712
Cash flows	(9,542)	1,472	(8,070)
New leases	-	(1,088)	(1,088)
Finance expense	-	(564)	(564)
Other changes	-	3	3
Discontinued operations	-	989	989
Net (debt)/cash at 30 September 2023	14,626	(11,644)	2,982
Cash flows	(1,825)	(11)	(1,836)
Financing payments	-	1,196	1,196
New leases	-	(710)	(710)
Finance expense	-	(690)	(690)
Interest payments	-	690	690
Other changes	-	--	-
Net (debt)/cash at 30 September 2024	12,801	(11,169)	1,632

26. Financial instruments

a) Cash and cash equivalents

	2024 £'000	2023 £'000
Current assets		
Cash at bank	12,801	14,626
	12,801	14,626

Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	2024 £'000	2023 £'000
Balance as above	12,801	14,626
Balance per statement of cash flow	12,801	14,626

b) Assets and liabilities

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company As restated 2023 £'000
Non-current assets				
Amounts owed by Group undertakings	-	-	6,329	6,278
Current assets				
Trade receivables	20,536	23,272	64	340
Other receivables	678	524	8	2
	21,214	23,796	72	342
Cash and cash equivalents	12,801	14,626	9,383	11,797
Total financial assets	34,015	38,423	9,455	12,139
Non-current liabilities				
Lease liabilities	9,638	9,818	23	10
	9,638	9,818	23	10
Current liabilities				
Trade payables	12,055	13,683	201	107=8
Other payables	373	492	146	33
Accruals	656	804	309	367
Lease liabilities	1,531	1,826	42	51
Amounts owed to Group undertakings	-	-	-	905
	14,616	16,805	710	1,464

Total financial liabilities at amortised cost	24,253	26,623	733	1,474
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27. Financial risk management

The Group and Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, capital risk and market risk. The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Board; they have assessed the exposure, policies and market conditions and consider there to be no change to the policies outlined below:

a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss. In order to minimise this risk the Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored.

The maximum exposure to credit risk is the value of the outstanding amount of cash balances, trade and other receivables and contract assets:

	2024 £'000	2023 £'000
Continuing operations		
Group		
Trade and other receivables	20,536	23,272
Contract assets	2,647	2,784
Cash and cash equivalents	12,801	14,626
Company		
Trade and other receivables	374	453
Cash and cash equivalents	9,383	11,797

The Group considers that credit risk on cash and cash equivalents is low based on the external credit ratings of the banks used. Impairment on cash and cash equivalents has been measured on a 12-month expected credit loss basis and reflects the short maturities of the exposure. The maximum exposure is the amount of the deposit.

Management consider default to be when companies do not make payment when due; this would further be considered as impaired when it becomes clear that no payment will be made. During the FY2023 year, ilke Homes went into administration creating a credit loss within Tamdown Group Ltd of £2,962,000. Management considered this to be an unusual event. Provision of services by members of the Group results in trade receivables. Following a full review of receivables management consider this to continue to be of low risk.

b) Liquidity risk

Continuing operations

Group

The Group currently holds cash balances in sterling to provide funding for normal trading activity. Trade and other payables are monitored as part of normal management routine. The Group's financial liabilities have contractual maturities as summarised below:

	Within one year £'000	Two to five years £'000	Over five years £'000
2024			
Lease liabilities	1,534	3,682	5,552
Trade payables	12,055		-

Accruals and payments on account	656	-	-
	Within one year	Two to five years	Over five years
2023	£'000	£'000	£'000
Lease liabilities	1,826	3,668	6,150
Trade payables	13,683	-	-
Accruals and payments on account	804	-	-

The borrowings are net of any transaction costs incurred. The transaction costs are recognised in the income statement over the period of the borrowings.

Company

The Company holds minimum cash balances. Trade and other payables are monitored as part of normal management routine. Liabilities are disclosed as follows:

	Within one year	Two to five years	Over five years
	£'000	£'000	£'000
2024			
Trade payables	201	-	-
Amounts owed to Group undertakings	-	-	-
Accruals and payments on account	309	-	-
Other payables	148	-	-
	Within one year	Two to five years	Over five years
2023	£'000	£'000	£'000
Trade payables	475	-	-
Amounts owed to Group undertakings	905	-	-
Accruals and payments on account	-	-	-
Other payables	33	-	-

c) Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a capital structure which optimises the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. Decisions regarding the balance of equity and borrowings, dividend policy and all major borrowing facilities are reserved for the Board.

d) Foreign exchange and interest rate risk

The Group has no significant exposure to currency risk or interest rate risk.

28. Share-based payments

No share schemes were operational during 2024.

The total share-based payments charged to the statement of comprehensive income for 2023 was a charge of £700,003.

29. Related party transactions

The Group's key management personnel are the Executive and Non-Executive Directors.

During the year the Group transacted total sales with the following companies of which Mike Morris was also a director until 15 August 2024:

2024

2023

	£'000	£'000
Advanced Water Infrastructure Networks Limited	-	2
Advanced Electricity Networks Limited	-	1
Advanced Utility Networks Limited	290	52
eSmart Networks Limited	230	390
TriConnex Limited	382	783

30. Contingent assets and liabilities

Group and Company

Nexus Infrastructure plc has issued a letter of support to Tamdown Group Ltd for 12 months from the signing of the accounts.

Under a Group registration, the Company is jointly liable for value added tax by other Group companies. As at 30 September 2024, there was a value added tax asset of £678,000 (2023: £486,000).

During the financial period to 30 September 2023, a subsidiary had lodged a claim against a supplier for damages caused by the supply of faulty services. The parties referred the matter to an 'alternative resolution' process. A contingent asset of £1.825m was recognised in the 2023 annual report and was received in December 2023.

31. Capital commitments

Group and Company

At 30 September 2024, the Group had capital commitments of £1.13m relating to plant and equipment (2023: £nil). The Company had no capital commitments (2023: £nil).

32. Events after the reporting year

Group and Company

Acquisition of Coleman Construction and Utilities Limited

On 29 October 2024, Nexus Infrastructure plc acquired 100% of the issued shares in Coleman Construction and Utilities Limited, a civil engineering and construction business trading in the water, rail, highways, and rivers & marine sectors for a consideration of £5.38m. The acquisition aligns to Nexus strategic objective of diversifying into additional key sectors critical to the UK infrastructure.

The financial effects of this transaction have not been recognised at 30 September 2024. The operating results and assets and liabilities of the acquired company will be consolidated from 30 October 2024.

Details of the consideration transferred are:

	£'000
Purchase consideration	
Cash paid	3,075
Contingent consideration	187
Settlement of inter company balances and loans	818
Deferred cash consideration to a maximum of	1,300
Total purchase consideration	5,380

The provisionally determined fair values of the assets and liabilities of Coleman Construction and Utilities Limited as at the date of acquisition are as follows:

	£'000
Cash and cash equivalents	548
Property, plant and equipment	688
Inventories	0
Receivables	2,997
Payables	(990)
Borrowings	(34)
Net deferred tax assets	(58)
Net identifiable assets acquired	3,151
Add: Goodwill	2,229
Net assets acquired	5,380

The goodwill is attributable to Coleman Construction and Utilities strong position and profitability in trading in the water sector with synergies expected to arise after the company's acquisition of the new subsidiary. None of the good will is expected to be deductible for tax purposes.

The contingent consideration arrangement requires Nexus Infrastructure plc to pay a maximum first earn-out consideration of £560,000 and a maximum second earn-out consideration of £736,000 subject to achieving EBITDA levels of £850,000 for the first earn-out and £1,013,000 for the second earn-out consideration. A catch-up mechanism is included.

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