



OXYGEN
FINANCE

Oxygen Finance
Group Limited

ANNUAL REPORT 2024

and Consolidated
Financial Statements

*Financial technology
delivering efficiency,
value & insights*

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COMPANY INFORMATION

For the year ended 31 December 2024

DIRECTORS

James van den Bergh	Chair
Ninian Wilson	Non-Executive Director
Vicki Sloane	Chief Executive Officer
Andrew Price	Chief Financial Officer

REGISTERED NUMBER

11010451

REGISTERED OFFICE

1st Floor, Enterprise House
115 Edmund Street
Birmingham
B3 2HJ

INDEPENDENT AUDITOR

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

2024 HIGHLIGHTS

	2024	2023	MOVEMENT
REVENUE	£7.7m	£6.1m	+25%
OPERATING CASH INFLOW	£3.0m	£1.7m	+76%
EBITDA	£2.3m	£1.2m	+83%
NET PROMOTER SCORE - EARLY PAYMENT CLIENTS	67	68	-1
EMPLOYEE HAPPINESS AT WORK	7.9/10	7.8/10	+0.1
REBATE SAVINGS DELIVERED TO LOCAL GOVERNMENT	£14.4m	£11.0m	+£3.4m

ABOUT US

Oxygen Finance specialises in payment control, the procurement process, and public sector market insight. As the UK's leading provider of Early Payment programmes for the public sector, we exist to help businesses thrive while driving savings to support the continued delivery of vital local services. Since 2004, we have generated financial benefits, improved efficiencies and social outcomes for the NHS, local government, and FTSE 100 companies.



UNDERPINNED BY OUR PEOPLE AND VALUES



EXCELLENCE



INTEGRITY



UNITY



GROWTH

CHAIR'S STATEMENT

In 2023 we committed to investing in technology and specialised talent to accelerate revenue growth and build on our market-leading position. Oxygen's 2024 results vindicate that decision, with record growth from recurring revenues, unprecedented cashflows and our first ever EBIT profit.

Oxygen thrived in 2024. Our strengthened operational capabilities supported an expanding client base and drove improvement in all areas. Revenue was up 25% to £7.7m and client retention rates were exceptional.

Behind these headlines sit a raft of achievements: our first ever EBIT profit, of £0.5m; an 83% increase in EBITDA to £2.3m, meaning we are now profitable by every measure; and operating cash flow of £3.0m – our highest to date. Consequently, Oxygen paid a £1.3m dividend to parent company TruFin, up 160% year-on-year. Growth in capital returned is expected to continue into 2025 and beyond.

Early Payment (“EP”) revenues, the mainstay of the business, increased by almost a third, partly due to closer client relationships and increased process efficiency. Moreover a 24% increase in suppliers joining our EP programmes pushed new signed spend up 38% to £530m – a lead indicator of future success. We also took the decision this year to insource the technology that powers much of our EP invoice processing. This significant undertaking will provide ongoing savings.

With four new EP client wins during 2024 and 100% retention of existing EP clients, Oxygen ended the year with a record 62 EP clients, increasing the combined trade spend under contract to £28.7bn. With more than 82% of the

next five years' EP revenues already contracted, there's much to look forward to.

We've also delivered solid growth in our Software as a Service (“SaaS”) division, attaining record revenues of £1.8m, an increase of 27% in a highly competitive market. More than 900 organisations now subscribe to our SaaS products and the acquisition of BidStats in November 2023 has helped us expand further into the SME market. We are confident that the acquisition costs will be fully recouped before the end of 2026.

Meanwhile our ongoing commitment to social value has seen Oxygen continue to help communities, increasing liquidity within local economies and delivering significant savings to support frontline services. In 2024 our FreePay programme facilitated early payments of £750m to 19,000 small and micro businesses at no cost, bringing the total paid to date to over £2.7bn. Our programmes also saved local authorities more than £9.5m, contributing to cumulative savings of £42.5m since the company's inception.

Fresh talent has also played its part in the company's success. Most notably, in the summer I had the pleasure of appointing Vicki Sloane as Chief Executive Officer. Previously Oxygen's Chief Client Officer with responsibility for our EP division, Vicki's 12 years of service and substantial contribution to

growth made her transition into this new role a natural progression. Vicki has already reviewed the company's mission and values to better reflect its priorities today and in the future. The exceptional results I am able to announce demonstrate that she has not only maintained but accelerated our growth trajectory.

2024 was also the first full year of service for our Independent Non-Executive Director, Ninian Wilson. Ninian's wisdom and oversight, combined with his enviable expertise as Chief Executive of Vodafone Procurement Company, has already had a significant positive effect on the strategic direction of the business.

My thanks go to them – and indeed to all our colleagues, clients and shareholders – for their continued hard work, guidance and support over the last 12 months. We are fully invested, profitable and cash generative, and are well placed to maximise the opportunities that lie ahead.



James van den Bergh
Chair

25 March 2025

“Oxygen closes 2024 with its fourth consecutive year of double-digit revenue growth.”



CEO'S REVIEW

for the year ended 31 December 2024

This year we reaped the benefits of investment in talent and technology, with revenues soaring by more than £1.5m to reach a record £7.7m. This achievement delivered not only our first-ever EBIT profit but also allowed us to return a £1.3m dividend to shareholders. With record growth in both our Early Payment and SaaS divisions, 2024 has truly been a year to remember.

Personally, having been part of Oxygen's journey for over a decade, I was honoured to become CEO in July. Stepping into this position has allowed me to reflect on how far the company has come and how the team's collective strengths have enabled us to expand our offer, achieve our most successful financial year to date, and maintain the excellent feedback that we consistently receive from clients.

EARLY PAYMENT

As the dominant provider to the UK public sector, Early Payment continues to be the core of our operations. Our Early Payment programmes offer suppliers the option to receive early payment in exchange for a small rebate, proportionate to the number of days the payment is accelerated by.

Oxygen's Early Payment revenues rose by almost a third in 2024, up from £4.0m to £5.3m. This success is partly the result of carefully targeted investment in talent, bolstering the procurement and contracts expertise in our Supplier Onboarding function to make more of our customers' spending eligible for early payment.

Additionally, with the Bank of England base rate at a 16-year high for most of 2024, Early Payment provided a popular alternative source of financing for public sector suppliers. Consequently, we signed new spend of £530m across a broad range of sectors to our Early Payment programmes in 2024. In addition, new local authority clients with a combined spend of £1.93bn helped grow trade spend across our client base to £28.7bn by year end.

The vital funds our programmes unlock remain highly valued by our clients, and it is this appreciation, combined with our exceptional client service, that accounted for our impressive Net Promoter Score (NPS) of 67 and a 100% Early Payment client retention rate in 2024, having completed five contract renewals this year. Our average Early Payment client tenure now stands at 7.6 years, with most clients having successfully renewed at least one contract.

	2024	2023	Movement
Average tenure	7.6 years	7.1 years	+0.5 years
New Signed Spend	£530m	£385m	+38%
Participating suppliers	24,648	20,186	+22%
Signed Spend	£1,632m	£1,309m	+25%

The Premier Supplier Service has been successful for the Council, generating over £5.5m in additional revenue since it launched. Offering early payment supports our commitments to the local community and to our suppliers, boosting the regional economy. Suppliers are typically paid within 9 days, and we've had a record-breaking year for new supplier sign-ups.

We're incredibly proud to see how our FreePay Programme has benefited local, small suppliers. The scheme has enabled us to improve cash flow for nearly 500 businesses.

Purnima Kandula, Director of Finance, Resources Directorate, Warwickshire County Council

£14.4m

OF REBATE SAVINGS GENERATED FOR PUBLIC SECTOR CLIENTS IN 2024



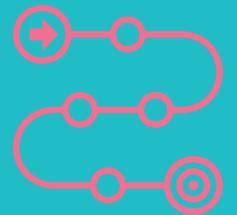
£750m

OF PAYMENTS ACCELERATED TO SMALL AND MICRO BUSINESSES IN 2024

UPPER-MEDIAN NET PROMOTER SCORE OF

67

FOR EARLY PAYMENT CLIENTS



£6.5bn

IN REBATABLE INVOICES PROCESSED TO DATE

31,000

AVERAGE REBATES TRANSACTED MONTHLY IN 2024



£530m

OF NEW SIGNED SPEND IN 2024

ESG continues to matter at Oxygen. Our FreePay scheme remains the cornerstone of our strategy – and a significant point of pride as we support local economies and reinforce our commitment to responsible business practices.

Small and micro businesses are the backbone of the UK economy, yet many face cash flow challenges due to delayed payments. While we welcome the government’s new Fair Payment Code, which rates businesses according to how quickly they settle invoices, its voluntary nature and lack of robust enforcement mean that small businesses will continue to face late payments from customers. FreePay addresses this need by enabling public sector buyers to pay invoices from this vital part of their supplier base early, free of charge, getting cash to the businesses that need it the most.

Earlier this year we revealed that the amount paid early, and without charge, to small and micro suppliers had surpassed £2bn. As of the end of 2024 this number had reached more than £2.7bn, and we expect to hit £3bn by the summer.

Almost 19,000 suppliers are now paid early through FreePay, and the impact on local communities has not gone unnoticed. We were delighted to see FreePay shortlisted in the 2024 Public Finance Awards, designed to recognise the people, products and services that demonstrate excellence and originality within public finance.

Our Client Forums for Chief Procurement Officers and Accounts Payable leaders have grown substantially this year, with 67 attendees joining the forums. Clients have fed back how the events have helped them prepare for the Procurement Act changes and been a valuable source of learning across a variety of topics.

SAAS PRODUCTS

Our Insights business continues to thrive in a competitive marketplace, with revenues increasing by 27% in 2024. We now have almost 1,000 organisations with paid subscriptions to our SaaS products, covering the breadth of the private sector supplier base, in addition to many public sector organisations.

In 2024 our systems ingested more than 8,500 extracts of transparency spend data, bringing the total spend captured in Insights to date to £7.8trn. The vast datasets held on our Insights platform continue to help us understand the size, shape and direction of public procurement, and in turn, advise both our SaaS and Early Payment clients on optimising their operations. It’s no surprise that almost half of Oxygen’s UK local authority Early Payment clients now also choose to purchase at least one of our SaaS products. That includes Pipeline Manager, which has already been used to manage almost £40bn of goods and services to date.

Adding to our SaaS offer, the acquisition of BidStats in November 2023 immediately gave us access to firms seeking public sector tender opportunities, but lacking the tools to commence early engagement with buyers, as facilitated by the intelligence in our Insights product. BidStats Enterprise product solves this by creating a route for BidStats users to move up through the value chain and into our Insights subscriptions, supporting our new business pipeline. We expect this integration to deepen over the coming year.

We have also invested in our Customer Success Function this year, improving our customer experience across onboarding, training, day-to-day support, and bespoke research.

We provided further support to our SaaS clients in 2024 through a series of webinars, giving insight into key topics such as how to win public sector contracts, the use of AI in responding to tenders, and training on the Procurement Act.

	2024	2023	Movement
Clients	929	681	+36%
Revenue	£1.8m	£1.4m	+27%
ARR	£1.9m	£1.6m	+19%

Insights provides fast access to accurate pre-procurement and spend data, enabling us to engage earlier within the procurement process, increasing our chances of success. Insights has increased our market knowledge and understanding of competitors, so that when we do engage, we’re in a much stronger position. Combining the expertise and deep sector-specific knowledge of our team with the accurate market data we get from Insights, has huge benefits.

Jeremy Wastie, Public Sector Sales Manager, MLL Telecom

PARTNERSHIPS

Whilst the bedrock of our business remains our recurring Early Payment and SaaS revenues, we have leveraged our status as a trusted adviser to contract for additional products and services to around half of our public sector clients. In 2024 we signed a record number of contracts relating to partner offerings and expect to deliver increased revenues from this work in 2025. We understand the challenges our public sector procurement and finance colleagues face, and as such partner with those we believe can meet these challenges and deliver real benefits for Oxygen clients.

The BidStats acquisition has provided another avenue for partnership work, expanding our customer base of SMEs with ambitions to win more public sector work. We therefore expanded our Partnerships in 2024 to better support the needs of these businesses, and we plan to grow it further.

Our ability to reach thousands of small businesses through BidStats has also led to several media partnerships during 2024 with businesses eager to engage with this group.

HOW WE DO IT

Technology is key to our business and we continue to invest significantly in its development. This year, the main focus of our development team has been insourcing the core part of our rebate processing technology – software that processed 338,000 invoices for early payment in 2024. This will deliver significant cost savings in 2025 and beyond whilst allowing us to more quickly deliver future solution enhancements. It mirrors a similar investment we made in 2022 insourcing the technology that underpins our SaaS business. We have also reaped the benefits of further technology alignment by successfully transitioning all infrastructure from Amazon AWS to Microsoft Azure, bringing us benefits in terms of technology alignment. All of the software technology supporting our business is now proprietary – developed and maintained in-house by our long-established UK development team.

The development team has also been working on several AI projects. This work includes the deployment of AI to increase the speed-to-market and coverage of our Insights product, expanding our research team’s capacity through human-guided AI, or ‘human-in-the-loop’ (“HITL”). Through supervision, AI is trained to handle regular research tasks, which are then reviewed by our research team to ensure quality and

further refine the model. The time saved allows our experienced researchers to expand the breadth of our pre-procurement intelligence, a highly valued part of our Insights offering.

As a result of this work, Oxygen was selected to join Microsoft’s exclusive UK Digital Startups and ISV (Independent Software Vendor) programme, giving us access to dedicated resources, funding, and support from Microsoft to accelerate our development and deployment of AI in our data applications.

Of course, behind our technology, what really enables us to deliver our market-leading client service is our people. We are passionate about our client relationships, no more so than our team of Client Success Managers, where we have been working closely with several Early Payment clients for more than a decade. We have now created these roles for our Insights customer base, where increasing retention is a key target.

As part of my first 100 days in the role, I led a review of our mission statement and core values to ensure they are aligned with the business as it stands today. These new values were developed collaboratively with the team proud to help shape our culture and make Oxygen a great place to work. The results of this work can be seen on page 16 of this report.

OUTLOOK

2024 has been a record year for Oxygen, with both our Early Payment and SaaS divisions reporting record revenues and contributing to our inaugural EBIT profit. Looking ahead to 2025, we are confident that our strong trajectory will continue. With over 80% of our Early Payment revenues already under contract, consistently high renewal rates, and a record Net Signed Spend by year end, we have a solid foundation for sustained growth.

Although fewer councils have signalled budget shortfalls by issuing Section 114 notices in 2024, several have indicated that they expect to do so in the near future. We anticipate that the fiscal tightening local government has faced over the past decade will persist, making the income generated by our Early Payment programmes an invaluable additional source of much-needed funding.

The new Labour government's English Devolution White Paper sets out significant changes to the structure and funding of local government, with six areas now accepted onto the Devolution Priority Programme. This shift will require public sector buyers and suppliers to quickly identify where power now sits, build new relationships, and navigate opportunities following a period of

major consolidation. This includes the creation of new Strategic Authorities and the merging of smaller councils into Unitary Authorities. As these changes take effect, Insights will be well positioned to bridge the intelligence gap, helping both buyers and suppliers understand the evolving marketplace and seize new opportunities.

The introduction of the Procurement Act 2023, delayed until February 2025, has generated significant interest amongst both our public and private sector clients. Authorities covered under the Procurement Act 2023 are required to publish their planned procurements, detailing expected contract opportunities over the next 18 months. For some, this is a considerable departure from their current practice, and it supports the adoption of a pipeline management tool, such as our own Pipeline Manager product, to help procurement teams record and report on future procurements.

Greater visibility of public sector opportunities under the act is expected to expand the pool of potential bidders, including many firms new to the public sector procurement process. This presents opportunities for BidStats and its Knowledge Hub, which supports businesses navigating procurement. Additionally, Insights' Pre-Procurement intelligence will become even more

valuable, offering early warnings of upcoming opportunities before they reach procurement teams. In a landscape where 18-month procurement pipelines are more widely available, this intelligence provides subscribers with a genuine competitive advantage.

The management team and I are confident that we are exceptionally well positioned to capitalise on these changes. Our ongoing investment in technology, people, and processes will continue to deliver strong returns into 2025 and beyond. Our strategy for delivering our goals in 2025 is to maintain focus on our core business, whilst using carefully selected partners to open additional revenue streams.

I would like to extend my gratitude to colleagues, clients, and shareholders for their unwavering support over the past year, both personally and for Oxygen as a whole. I look forward to continuing to fulfil our commitments and delivering on our promises in 2025.



Vicki Sloane
Chief Executive Officer

25 March 2025

“It’s been another year of growth and delivery: smashing through the £7m revenue mark, increasing the dividend to our shareholder by 160% to £1.3m. With all our proprietary software in-house, and with strong lead indicators, we approach 2025 with confidence and excitement.”

ANOTHER RECORD YEAR FOR OXYGEN

“Our success is driven by the combined strength of our people and the innovation behind our technology.”



GROUP STRATEGIC REPORT

Oxygen's sustained performance continues to break records; unprecedented client numbers, exceptional client retention rates and transactional volumes combined to secure record revenue and cash generation, our highest-ever EBITDA profit and Oxygen's first EBIT profit.

OUR CLIENTS

Oxygen's Early Payment clients now total 62 with a combined trade spend with their suppliers totalling £28.7bn. Oxygen's Early Payment programmes continue to provide our public and private sector clients with a reliable, growing and predictable income stream. We enjoyed 100% retention of our Early Payment clients in 2024, with an average committed client tenure as of 31 December of 7.6 years.

Oxygen's data-led business intelligence products provided consistent support to a record number of public, blue-chip and SME private sector clients throughout the year, enabling each to develop their organisations and to collaborate on public sector projects, leveraging Oxygen's unique detailed knowledge in this space. Client subscriptions totalled 929 at year end, up +36% compared to the previous year.

REVENUE

Oxygen continues to break records every month, with our Early Payment monthly revenues exceeding £0.5m for the first time in October and again in November and December 2024. Full year Early Payment recurring revenues grew organically to £5.3m, an increase of +33% over the prior year. Oxygen grew volumes transacted through our Early Payment programmes by increasing penetration into our clients' supplier spend; a record 5,658 suppliers now choose to participate in Early Payment programmes, with £1.2bn of their invoiced spend paid early, up +26% on the previous year. We also improved our yield from transacted spend; Early payment discounts are dynamic – the quicker payments are transacted, the higher the rebate. Oxygen worked closely with clients to improve their payment processes, enabling them to further accelerate their payments, optimising early payment rebates, and in turn further increasing Oxygen's revenue. Oxygen's capacity to deliver these volume and yield benefits arise directly from our investment in 15 additional staff in 2023.

During 2024 Oxygen onboarded new spend onto our Early Payment programmes of £530m, more than 38% increase on the prior year. Much of the benefit of this will be seen in 2025 and beyond as spend profiles – particularly construction projects – take time to ramp up. Total participating spend in Oxygen programmes totalled £1.6bn at year end, a 25% increase on 2023.

Our recurring SaaS revenues reached a high of £1.8m, up +27% on the previous year, reflecting organic growth and the first full year of revenue from the BidStats acquisition. Customer subscriptions grew by +36% compared to 2023, exceeding expectations. Competitive market conditions continue to adversely impact pricing and moderate revenue growth. However, continuing product development will enable Oxygen to maintain its market leading position, with developments in AI allowing us to expand the breadth of the data captured while the retention of our experienced data analysts ensures the integrity of the data shared with subscribers.



“Oxygen's financial results report record revenues, record EBITDA profits and record cash generation.”

GROSS MARGINS, PROFITS & TAX

Oxygen's gross profits have increased in line with revenue, with additional volume driving margins upwards. Modest increases in operating costs saw much of the gross margin growth deliver a record EBITDA profit of £2.3m, up +83% on the previous year. After depreciation and amortisation charges of £1.8m, Oxygen delivered our first EBIT profit of £0.5m. Amortisation relates principally to capitalised internal development and implementation costs incurred during Oxygen's early solution development phase. These charges are expected to remain flat in the coming years, ensuring future revenue growth enhances both EBITDA and EBIT. Oxygen's tax credit reflects the benefit of R&D allowances and the recognition of a deferred tax asset of £1.5m (2023: £0.25m). Oxygen has accumulated tax trading losses of £36m.

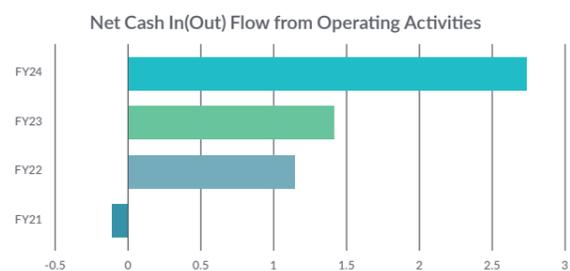
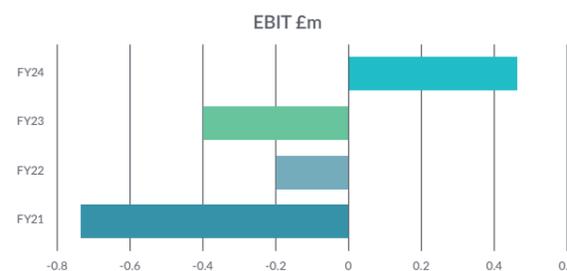
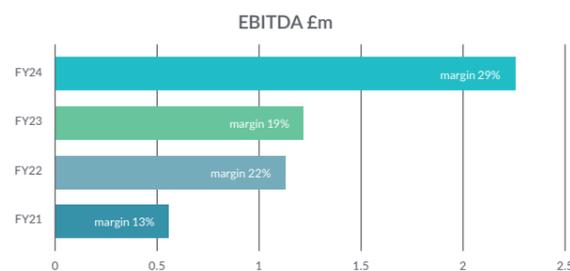
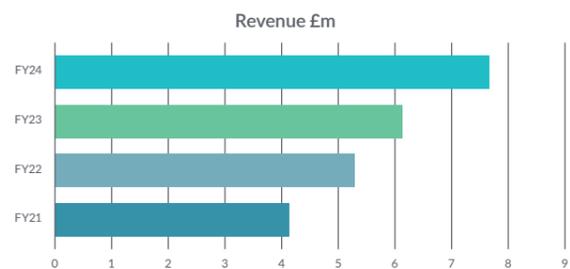
We have recognised a portion of this asset on our balance sheet to reflect the likely use of this asset given our current strengthening financial performance.

BALANCE SHEET, CASHFLOW & DIVIDEND

Oxygen's cashflow from operating activities was £3.0m (2023: £1.7m), an increase of 74% from the prior year, enabling a dividend payment of £1.3m (2023: £0.5m) from available cash after investing activities.

Oxygen is debt free, and at year end had positive net assets of £6.7m, stated after the payment of the dividend, and reflecting the recognition of a deferred tax asset of £1.5m. We successfully optimised our free cashflow through tight management of working capital. Oxygen benefits from membership of our clients' Early Payment programmes; the acceleration of our invoices resulted in debtor days averaging 12 days, testament to the programmes' worth.

	2024 £000	2023 £000
Operating profit/(loss) per Consolidated Statement of Comprehensive Income	474	(370)
Add back depreciation and amortisation costs:		
Depreciation of tangible fixed assets (note 5)	55	57
Amortisation of intangible assets (note 5)	1,722	1,543
EBITDA profit	2,251	1,230



INVESTMENT

Throughout 2024, Oxygen has been insourcing our key Early Payment software. Substantially complete by year end, this investment will enhance Oxygen's Gross Margins and will enable a more rapid response to customer requests. Throughout the year Oxygen has also continued to develop our other proprietary software and implemented new Early Payment client programmes. Oxygen maintains UK based, dedicated in-house implementation and technical development resource to complete these core activities. Investment in these intangible assets totalled £1.3m during the year (2023: £1.3m), which will be amortised once projects are complete.

SOCIAL VALUE

The cumulative benefit provided to clients and local communities continues to expand with increased geographical coverage. The predictable and growing income stream provided to our clients from early payment rebates generated is very much valued; total rebates generated during the year reached a new record of £14.4m (2023: £11.0m), with the cumulative total since our inception now totaling £68m. Separately, payments of £750m (2023: £583m) to 19,000 small local suppliers were paid early during the year, bringing the cumulative total of transacted payments paid early under our innovative FreePay programme to £2.7bn.

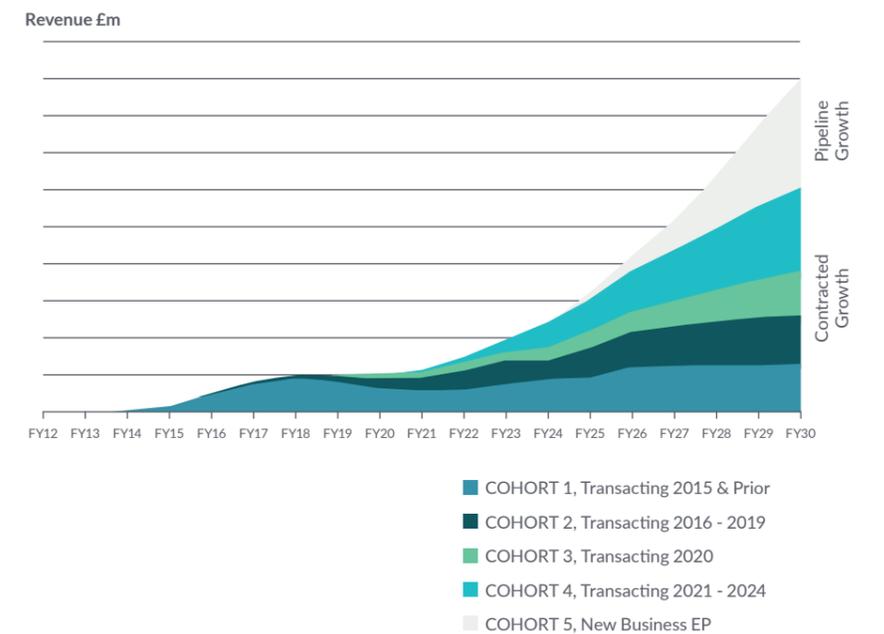
Improvement of our early payment trading models will deliver social value for the public sector through increased savings generated for local authorities, with our growing FreePay supplier base continuing to drive cashflow for small businesses.

OUTLOOK

Oxygen's sustained revenue growth and financial performance is expected to continue; much of Oxygen's growth is derived from replicating the successful penetration into our mature clients' spend profiles within our more recent client cohorts. As Oxygen continues to develop its proprietary software and expand its data analysis, its ability to further exploit the opportunities it's created and provide further support to clients provides ample reason to be excited for the years ahead.

Illustrated below is the evolution of revenue generated from Oxygen's early payment client cohorts. Each of the coloured areas show how revenue grows as more suppliers join the programme, with the more recent cohorts expected to continue to follow a similar trajectory to mature clients over their contractual term.

The top area shows the contribution from new clients expected to be signed from Oxygen's new client sales pipeline. The initial contribution from this group is limited, in line with earlier cohorts, increasing as they follow the supplier on-boarding trajectory of mature clients.



AP
 Andrew Price
 Chief Financial Officer
 25 March 2025

OUR PEOPLE

As evidenced consistently in client feedback, what really sets Oxygen apart is our people. Our team bring a valuable mix of talent and experience across procurement, finance, data and tech. Over the past year, we have continued to invest in their growth, collaboration and well-being. In 2024 we welcomed 15 new team members, bringing fresh perspectives and skills, while also recognising internal talent with ten well-deserved promotions.

Our succession planning proved successful in 2024 with our ability to fill the CEO role and three other line management opportunities with internal candidates. Our hiring and promotion processes are focused on assessing skills, experience, and potential, with no bias toward gender or other demographic factors. We are particularly proud of the significant strides we have made in promoting gender equality within our leadership ranks, with 63% of our line managers being female, reflecting our dedication to empowering women in leadership roles.

Learning and development remained a priority, with 87 training days completed and eight internal knowledge-share sessions fostering cross-team learning.

Our employees' commitment and engagement were reflected in an average tenure of 4.7 years and a strong happiness score of 7.9 out of 10.

This year we also implemented a new HR management system to enhance our performance management framework, streamline processes, and provide early warning for potential employee burnout. To further support and celebrate our people, we introduced new employee recognition programmes, where employees can nominate their colleagues they feel deserve acknowledgement, reinforcing a culture of appreciation.

Listening to our team has been a key priority. In this year's Voice of the Employee survey, which saw 82%

employee participation, we recorded higher scores for happiness at work, work/life balance, and culture. Additionally, 95% of our staff felt their work and achievements were recognised within the business, with employees feeling empowered to take ownership of their roles. Employees told us that they valued the supportive environment, with approachable and helpful colleagues and management.

Furthermore, we brought employees together to collaborate and develop our new company values, ensuring our culture evolved with our people at its core. After conducting a series of workshops with staff from across the organisation, we identified four key 'pillars' that define who we are and what we expect from one another:



EXCELLENCE

Surpassing expectations, delivering exceptional outcomes.

- Take pride in our delivery
- Perform at pace
- Deliver high-quality results
- Leverage collective expertise



INTEGRITY

Honouring our commitments, building trusted partnerships.

- Accept responsibility for actions, decisions & outcomes
- Reliably deliver on promises
- Communicate transparently
- Demonstrate professional integrity



UNITY

Fostering collaboration, integration and sharing success.

- Embrace diverse perspectives
- Engage with mutual respect
- Recognise achievements
- Thrive as one team



GROWTH

Driving change, unlocking potential and inspiring progress.

- Continuously innovate
- Progressively adapt
- Encourage ambition
- Exceed expectations

Our staff continued to give back, with seven colleagues completing a 100km Bike Ride in summer and several more joining our second Charity 5-Aside Football Tournament – both in support of Birmingham Children's Hospital Charity. Additionally, 34 team members took 4.2 million steps for men's health in November, and seven volunteered at the Brushstroke Community Project in December, wrapping gifts for local children in need. Meanwhile, our Matched Giving scheme and paid volunteering time helped many other employees support charities close to their hearts, including the rescue of Gizmo the dog (pictured).



MANAGEMENT AND BOARD



JAMES VAN DEN BERGH

Chair

James is the CEO of TruFin. James spun TruFin out of Arrowgrass Capital Partners in 2018, where he led the alternative finance team and private business. He began his career at Merrill Lynch before transitioning into investment management in 2003. James is a CFA Charterholder.



VICKI SLOANE

Chief Executive Officer

As CEO, Vicki is responsible for company strategy, our social value commitment and Oxygen's continued rapid growth. Prior to joining Oxygen in 2012, Vicki worked as a management consultant for KPMG and PwC. A qualified accountant, she has led projects including ERP implementations, shared services set-up and business process transformations.



ANDREW PRICE

Chief Financial Officer

Andrew Price joined Oxygen in April 2020 and has over 20 years' experience as a CFO having served several fast-growing FTSE-listed and private equity-backed companies across a diverse range of sectors. Prior to joining Oxygen he was CFO of The Rigby Group Plc and a founding member of Cuadrilla Resources.



NINIAN WILSON

Non-Executive Director

Ninian Wilson is an Independent Non-Executive Director of Oxygen, having joined the Board in 2023. Ninian also serves as Group Procurement Director and Chief Executive of Vodafone Procurement Company. He was previously Operations Director for Royal Mail Plc and has held senior positions at Cable & Wireless Plc and Transco.



ROB PARKER

Chief Technology Officer

Since joining Oxygen in 2016, Rob has been accountable for the technology strategy, data management, development and cross-functional delivery of the company's products and integrations. Rob has over 20 years' experience delivering high-quality and high-availability SaaS solutions, focussing on financial services.



LIBBY DANIELS

Director of Client Services

Libby is responsible for all client service management, supplier onboarding and programme improvement activities across Early Payment clients. Prior to joining Oxygen, Libby was part of a central government procurement team, responsible for significant IT transformation projects.



DAVE ROUDEBUSH

Executive Vice President & General Manager Americas

David joined Oxygen in 2012 as Senior Vice President of Sales for North and South America. His past roles include positions as VP of Sales and Services for Peregrine Systems (sold to HP), Business Resource Group and Promisec, as well as COO of Planet Associates. He also served in the US Navy for five years.



SIMON WHITTLE

Early Payment Sales Director

Simon is responsible for growing Oxygen's UK Early Payment client base. Prior to joining Oxygen in 2015, Simon enjoyed a successful career with Royal Bank of Scotland, working in both the investment banking division and providing risk management solutions to the bank's regional clients.



CAMERON MAJOR

Insights Sales Director

Cameron leads new business sales and customer success for our Insights business. Prior to joining Oxygen in 2019, Cameron was responsible for managing the UK's largest government-awarded framework contract in the EAP industry, having previously held sales roles in the insurance and recruitment industries.



STUART NICHOLS

Business Engagement Director

Stuart has responsibility for direct engagement with senior contacts within our client base and ensuring that opportunities and issues are addressed through our client services and senior relationship teams. Before joining Oxygen Stuart worked in project management for British Gas.

DIRECTORS' REPORT

The Directors of Oxygen Finance Group Limited (the "Company" or "Oxygen") present their report with the audited financial statements of the Company and the Group for the year ended 31 December 2024.

PRINCIPAL ACTIVITY

Oxygen specialises in payments control, the procurement process and public sector market insight. We are the UK's leading provider of Early Payment programmes.

At the heart of our work is a skilled, dedicated team committed to great service and expertise in the public sector procurement process. We are determined to create a positive social impact for our clients and the people they serve.

DIVIDENDS

Having generated operating cashflows of £3.0m (2023: £1.7m), the Directors were pleased to approve a dividend of £1.3m which was paid in October 2024 (2023: £0.5m).

DIRECTORS

The directors who held office during the year and up to the date of this report were as follows:

James van den Bergh
Chair

Ninian Wilson
Non-Executive Director

Vicki Sloane
Chief Executive Officer
(appointed 24 July 2024)

Andrew Price
Chief Financial Officer

Ben Jackson
Chief Executive Officer
(resigned 24 July 2024)

DIRECTORS' INSURANCE AND INDEMNITIES

Throughout the year the Company has maintained Directors and Officers liability insurance for the benefit of the Company, the Directors and its Officers. The Directors consider the level of cover appropriate for the business and will remain in place for the foreseeable future.

The Supplier Incentive Programme is a good system that works well for us: saving us time and making sure payments are received quickly. Our invoices are paid quicker than before the programme was in place, supporting our cash flow and reducing the need for us to turn to more expensive forms of finance.

The time spent by accounts receivable on payment queries has significantly reduced, as invoices are paid as soon as they are approved. We're happy with the programme and look forward to continuing our relationship with South Tyneside Council.

Derek Henderson, Managing Director, Ultimate Risk Management Ltd

FUTURE DEVELOPMENTS

The Directors believe that Oxygen's product offering is well developed, robust and scalable. Oxygen's objective is to acquire more customers, sell more products to existing customers and benefit from inherent operational gearing as we continue our scaleable expansion.

STATEMENT OF GOING CONCERN

The Directors have completed an assessment of the Group's finances in light of the economic outlook and are of the view that the Group's cash generation and existing cash resources are sufficient to ensure adequate cashflow for the foreseeable future. The Directors believe there are no material uncertainties that call into doubt the Group's ability to continue as a going concern and there have been no significant events affecting the Group since the year end. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors confirm that they have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

Principal risks are a risk or combination of risks that, given the Group's current position, could seriously affect the performance, future prospects or reputation of the Group. These risks could potentially threaten the businesses, performance, solvency or liquidity, or prevent the delivery of the strategic objectives. The Board has overall responsibility for ensuring that risk is appropriately managed across the Group.

As well as external reviews and audits from the Group's statutory auditors, the Group has internal checks and policies. Initial responsibility rests with the management team for identifying and managing risks arising in their business areas. This is augmented by the Group's central compliance and finance function with responsibility for reporting to the Board. The key risks identified and which the Board has reasonable expectation are appropriately mitigated are:

- **Strategic risk** – Strategic and business risk is the risk which can affect the Group's ability to achieve its corporate and strategic objectives. The risk on the performance of the Group arising from its strategic decisions, change in the business conditions, improper implementation of decisions or lack of responsiveness to industry changes. It is particularly important as the Group continues its growth strategy. The Group will not put its core strategic and business objectives at a level of risk which is beyond its financial resources and operational capabilities. The Group will monitor and continually review this risk.
- **Operational risk** – The risk of financial loss and/or reputational damage resulting from inadequate or failed internal processes, people and systems or from external events. The exposure to operational risk has increased from the previous year as the businesses have grown. Mitigating factors are: the Group reviews its operational infrastructure to ensure that it is secure and fit for purpose, the Group maintains a strong internal control environment and the Group has also factored in the strengthening of processes and systems.

DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

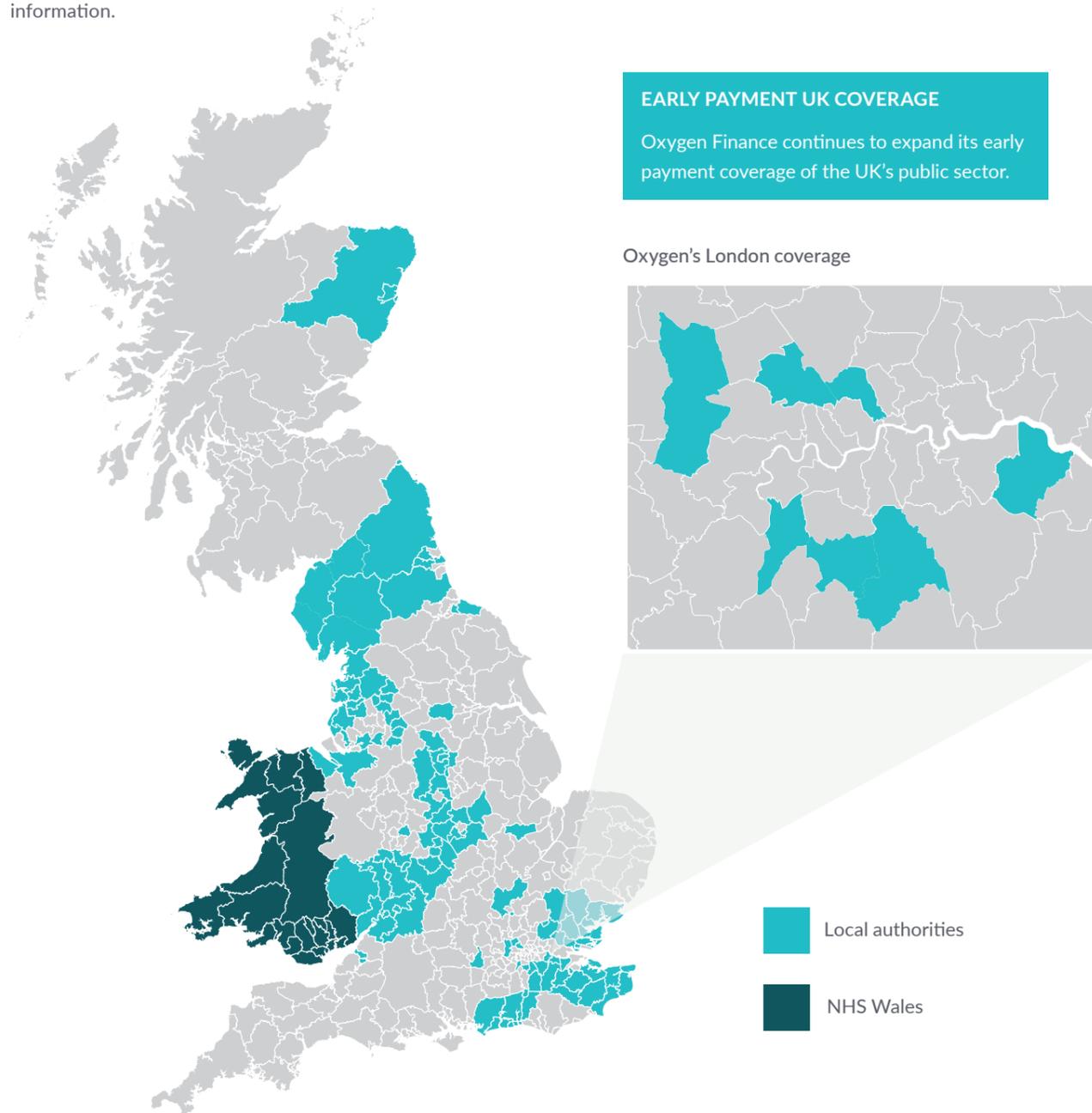
Pursuant to Section 487 of the Companies Act 2006, Crowe U.K. LLP will be deemed to be reappointed and will therefore continue in office.

By order of the Board



Andrew Price
Chief Financial Officer

25 March 2025



ENVIRONMENTAL SOCIAL AND GOVERNANCE (“ESG”) AND SUSTAINABILITY REPORT

In 2023, we began our reporting on our social and environmental goals to increase transparency on our efforts in this area. We have always been committed to doing the right thing for ourselves and our clients, but we chose to provide this added level of detail to reflect our decision to focus our endeavours in specific areas.

2024 has seen significant incremental growth from our inaugural report, with substantial growth in FreePay suppliers, additional tools and functionality delivered as part of our BidStats platform, and our ongoing efforts to help our public sector clients responsibly procure the best services at the right price.

SUPPORTING LOCAL ECONOMIES

FreePay is a core element of our early payment product, allowing public organisations to inject liquidity into small and micro firms, fostering economic growth. With FreePay, buyers can support local economies, transform supplier experiences and contribute positively to their part of the public sector.

In 2024, the number of FreePay suppliers increased by 23%, demonstrating a commitment from public sector buyers to their SME suppliers. Over 2024, 225,000 invoices were paid early through FreePay, with £2.7bn of invoices paid early since the programmes inception.

PLANNING A BETTER PLANET

In response to our clients' call to address the climate emergency, Oxygen developed Insights Carbon, a powerful extension of our Insights product. This solution provides public bodies with real-time insights into the carbon footprint of their third-party spending, enabling informed decisions that align with net-zero goals. Insights Carbon continued to drive meaningful change in 2024, empowering buyers to reduce emissions and lead on sustainability.

IMPROVING PUBLIC SERVICES

Early payment rebate savings delivered to local government during the year reached a new record of £14.4m (2023: £11.0m), with the cumulative total since our inception now totaling £68m.

The positioning of BidStats as a free or low-cost aggregator of public sector tender data allows both small and larger businesses to be aware of, and bid for, public sector contracts. After a successful imbedding period, the product is now well-aligned with Oxygen's other SaaS solutions.

Following the acquisition of BidStats in November 2023, we have spent the year fully integrating and improving on the established product. In 2024 registered users increased to 114,000 and overall visits soared to 1.6m.

UN SUSTAINABLE DEVELOPMENT GOALS

The commitments we set in 2023, aligned to the UNs Sustainable Development Goals (SDGs), created a platform with direct measures to evaluate and track the progress of our sustainability initiatives.

In 2024, a number of these efforts have continued, and some new elements have been added. The tables below show where we believe our business has been able to contribute towards the achievement of these goals this year.

UN SDGS OXYGEN IMPACTS

These are the UN SDGs where we determine our activities have had the most significant impact.



11 SUSTAINABLE CITIES AND COMMUNITIES	RELEVANT UN TARGETS	KEY IMPACTS	2024 PROGRESS
11	11.1	<ul style="list-style-type: none"> FreePay will allow our clients to pay their small and micro suppliers early without charge. By generating savings for the public sector we will help deliver better frontline services. Our stewardship of the CPO and P2P Forums will facilitate better public procurement. 	<ul style="list-style-type: none"> 19,000 small and micro businesses benefited from FreePay this year, with £750m paid early. Our Early Payment programmes have generated £14m in savings across 62 clients in 2024. Over 67 senior client representatives attended the CPO and P2P forums in 2024.
	11.2		
	11.3		
	11.6		
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2	<ul style="list-style-type: none"> By quantifying CO2-emitting supplier activities, Insights Carbon will help organisations tackle the climate emergency. Oxygen Insights and BidStats will drive more efficient, best-value procurement, supporting local jobs and better public service delivery for all. We will help our staff reduce the impact of their commute on the environment. 	<ul style="list-style-type: none"> Insights Carbon continues to make emissions data available to users. 126,000 public sector tenders were ingested and published by BidStats this year for the use of our users. Oxygen has managed 33,000 Insights sessions and sent 395,000 Insights notifications this year. We have managed and developed schemes that have helped staff cycle to work and drive electric vehicles. We have held charity cycle events to encourage staff to use bicycles.
	12.5		
	12.6		
	12.7		
	12.7		

UN SDGS OXYGEN CONTRIBUTES

While our primary focus has been on the impact on the aforementioned goals, our activities have also enabled us to contribute toward the achievement of these additional UN SDGs.



1 NO POVERTY	RELEVANT UN TARGETS	KEY IMPACTS	2024 PROGRESS
1	1.1	<ul style="list-style-type: none"> We want to help our people make a wider contribution. 	<ul style="list-style-type: none"> All staff can take up to two volunteering days a year. Charitable contributions can be made via payroll.
	1.2		
3 GOOD HEALTH AND WELL-BEING	3.1	<ul style="list-style-type: none"> We will give our people the support they need to maintain good physical and mental health. Oxygen will support to our staff to help them maintain a healthy work-life balance. 	<ul style="list-style-type: none"> Oxygen continues to provide staff with health cover, including remote GP access and mental health support. We held our third company-wide World Mental Health Day event in 2024. Oxygen continues to operate as a 100% hybrid working employer, with every employee entitled to flexible working.
	3.4		
10 REDUCED INEQUALITIES	10.1	<ul style="list-style-type: none"> Oxygen commits to operating as a Living Wage employer. We will continue to focus on workplace equality. 	<ul style="list-style-type: none"> All staff continue to be paid a Living Wage. We are committed to fostering a workplace where everyone has an equal opportunity to thrive. Our renewed values reinforce our dedication to equality, diversity, and inclusion at all levels.
	10.2		

At Oxygen, our mission goes beyond efficient business processes – we create solutions that drive meaningful impact. By harnessing technology, we enable seamless trade and shape a future where business and community thrive together.

As our journey continues, we recognise that our responsibilities extend far beyond our core operations. That's why the board's commitment to continue to measure our contributions to the United Nations Sustainable Development Goals is something we are proud of. It reflects our dedication to making a tangible difference, whilst also focussing on business growth and improvement.

Rob Parker
Chief Technology Officer

25 March 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law the directors have elected to prepare the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in conformity with the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXYGEN FINANCE GROUP LIMITED

for the year ended 31 December 2024

OPINION

We have audited the financial statements of Oxygen Finance Group Limited ('the Parent Company') and its subsidiaries ('the Group') for the year ended 31 December 2024, which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Parent Company Balance Sheets, Consolidated and Parent Company Statement of Changes of Equity, Consolidated Statement of Cash Flows and the related notes 1 to 22 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- the financial statements give a true and fair view of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXYGEN FINANCE GROUP LIMITED CONT...

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement on page 26 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXYGEN FINANCE GROUP LIMITED CONT...

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

We obtained an understanding of the legal and regulatory frameworks within which the Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management; timing and recognition of income and posting of unusual or complex transactions or journals. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases, testing the timing and recognition of revenue, we have also tested a sample of journals to confirm they were appropriate and in line with standard business processes.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXYGEN FINANCE GROUP LIMITED CONT...

USE OF OUR REPORT

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

Crowe UK LLP

Daniel Town (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

27 March 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Note	2024 £000	2023 £000
Revenue	4	7,659	6,147
Cost of sales		(2,151)	(1,797)
Gross profit		5,508	4,350
Administrative expenses		(5,034)	(4,720)
Operating profit/(loss)	5	474	(370)
Interest payable and similar expenses	9	(10)	(13)
Profit/(loss) before tax		464	(383)
Tax on profit/(loss)	10	1,380	554
Profit for the year		1,844	171
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Exchange differences on translating foreign operations		(1)	(5)
Total comprehensive profit for the year		1,843	166

The results above relate to continuing operations.

The accompanying notes on pages 37 to 56 form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET

at 31 December 2024

	Note	31 December 2024 £000	31 December 2023 £000
Fixed assets			
Intangible assets	12	5,545	5,913
Tangible assets	13	122	177
		5,667	6,090
Current assets			
Trade and other receivables	14	2,930	1,694
Cash		398	358
		3,328	2,052
Total assets		8,995	8,142
Current liabilities			
Trade and other payables	15	(2,044)	(1,841)
Non-current liabilities			
Trade and other payables	16	(254)	(147)
Total liabilities		(2,298)	(1,988)
Net assets		6,697	6,154
Equity attributable to equity holders of the parent			
Share capital	19	1	1
Share premium account		27,142	27,142
Capital reserve	20	11,450	12,750
Foreign exchange reserve		52	53
Profit and loss account		(31,948)	(33,792)
Total equity		6,697	6,154

These financial statements were approved by the board of directors on 25 March 2025 and were signed on its behalf by:



A C Price
Director

Company registered number: 11010451

The accompanying notes on pages 37 to 56 form an integral part of these financial statements.

PARENT COMPANY BALANCE SHEET

at 31 December 2024

	Note	31 December 2024 £000	31 December 2023 £000
Fixed assets			
Investments	11	29,864	29,864
Current assets			
Trade and other receivables	14	5,807	6,904
Net assets		35,671	36,768
Equity attributable to equity holders of the parent			
Share capital	19	1	1
Share premium account		27,142	27,142
Capital reserve	20	11,450	12,750
Profit and loss account		(2,922)	(3,125)
Total equity		35,671	36,768

These financial statements were approved by the board of directors on 25 March 2025 and were signed on its behalf by:



A C Price
Director

Company registered number: 11010451

The accompanying notes on pages 37 to 56 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Share capital £000	Share premium account £000	Capital reserve £000	Foreign exchange reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2023	1	27,142	13,250	58	(33,963)	6,488
Dividend paid to TruFin plc	-	-	(500)	-	-	(500)
Profit for the year	-	-	-	-	171	171
Other comprehensive income for the year	-	-	-	(5)	-	(5)
Balance at 31 December 2023	1	27,142	12,750	53	(33,792)	6,154
Balance at 1 January 2024	1	27,142	12,750	53	(33,792)	6,154
Dividend paid to TruFin plc	-	-	(1,300)	-	-	(1,300)
Profit for the year	-	-	-	-	1,844	1,844
Other comprehensive income for the year	-	-	-	(1)	-	(1)
Balance at 31 December 2024	1	27,142	11,450	52	(31,948)	6,697

The accompanying notes on pages 37 to 56 form an integral part of these financial statements.

Share capital

Share capital represents the nominal value of equity share capital issued.

Share premium account

The share premium account represents the premium paid for new equity shares issued above their nominal value.

Capital reserve

The capital reserve arose as a result of the waiver of intercompany debt by TruFin plc. This reserve is distributable.

Foreign exchange reserve

The foreign exchange reserve represents exchange differences which arise on consolidation from the translation of the financial statements of the foreign subsidiary incorporated in the USA – Oxygen Finance Americas Inc.

Profit and loss account

The profit and loss account represents cumulative net gains and losses.

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Share capital £000	Share premium account £000	Capital reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2023	1	27,142	13,250	(528)	39,865
Dividend paid to TruFin plc	-	-	(500)	-	(500)
Total recognised income and expense for the year	-	-	-	(2,597)	(2,597)
Balance at 31 December 2023	1	27,142	12,750	(3,125)	36,768
Balance at 1 January 2024	1	27,142	12,750	(3,125)	36,768
Dividend paid to TruFin plc	-	-	(1,300)	-	(1,300)
Total recognised income and expense for the year	-	-	-	203	203
Balance at 31 December 2024	1	27,142	11,450	(2,922)	35,671

The accompanying notes on pages 37 to 56 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2024

	Year ended 31 December 2024 £000	Year ended 31 December 2023 £000
Cash flows from operating activities		
Profit/(loss) before tax for the year	464	(383)
Adjustments for:		
Depreciation and amortisation	1,777	1,600
Finance expenses	10	13
(Increase)/decrease in trade and other receivables	(86)	(100)
Increase/(decrease) in trade and other payables	629	249
Net cash inflow from before taxation	2,794	1,379
Tax received	230	354
Net cash inflow from operating activities	3,024	1,733
Cash flows from investing activities		
Capitalised development expenditure	(1,301)	(1,293)
Acquisition of BidStats	(53)	(415)
Net cash outflow from investing activities	(1,354)	(1,708)
Net cash inflow before financing activities	1,670	25
Cash flows from financing activities		
Dividends paid	(1,300)	(500)
Payments on intercompany account with TruFin plc	(250)	-
Repayment of principal portion of lease liability	(69)	(68)
Interest paid	(10)	(13)
Net cash outflow from financing activities	(1,629)	(581)
Net increase/(decrease) in cash	41	(556)
Foreign exchange differences	(1)	(5)
Cash at start of year	358	919
Cash at end of year	398	358

NOTES

(forming part of the financial statements)

1. GENERAL INFORMATION

Oxygen Finance Group Limited ("The Company") is a private company and is incorporated and domiciled in the United Kingdom, registration number 11010451.

The registered office is 1st Floor, Enterprise House, 115 Edmund Street, Birmingham, B3 2HJ.

The Company is a holding company of a group of companies whose principal activities is to promote social and environmentally efficient procurement solutions between public and private sector organisations. The Group's operations are based in both the UK and the USA.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS101) and the Companies Act 2006.

The financial statements have been prepared on a historical cost basis and on a going concern basis. The financial statements are presented in Pounds Sterling, which is the currency of the primary economic environment in which the Group operates. Amounts are rounded to the nearest thousand.

The Company has taken the exemption from presenting its unconsolidated profit and loss account under section 408 Companies Act 2006.

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

2.2 Financial reporting standard 101 – reduced disclosure exemptions

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets and related party transactions.

2.3 Going concern

As stated in the Director's Report, the Directors have completed an assessment of the Group's finances in view of the economic outlook and are of the view that the Group's cash holdings are sufficient to ensure adequate cashflow for the foreseeable future. The Directors believe there are no material uncertainties that call into doubt the Group's ability to continue as a going concern and there have been no significant events affecting the Group since the year end. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

2.4 Foreign currency

The Company's functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract and when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

The split of revenue is as follows:

Transactional fee income from Early Payment Programme Services ("EPPS") contracts

The Company's Early Payment Programme Services generates rebates (i.e. discounts on invoice value) for its clients by facilitating the early payment of supplier invoices. The Company's single performance obligation is to make its intellectual property and software platform available to its clients for the duration of their contracts.

The Company bills its clients monthly for a contractually agreed share of supplier rebates generated by their respective Early Payment Programmes during the month. This revenue is recognised in the month the rebates are generated. Revenue is accrued over the period of the subscription.

Software as a service ("SaaS") – including Oxygen Insights, BidStats and other software services

SaaS products offered by the Company provide focussed public sector procurement data and analytics on a subscription basis. Clients cover both the Private sector, enabling them to improve and develop their engagement with the public sector, and Public sector organisations, enabling them to make more informed procurement decisions. The Company bills its clients for the contractually agreed period and revenue is recognised evenly over the period of the subscription.

Partnership income

The Company partners with other suppliers to provide procurement services and solutions to clients. Revenue is accrued as the services are provided.

Special Projects – Consultancy Fees

Special projects revenue is principally consultancy fees relating to the provision of stand alone advisory services to clients. Revenue is accrued as the underlying services are provided to the client.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 IFRS 16 – leases

In accordance with the exemptions provided by paragraph 5 of the standard, the company has elected to apply IFRS 16 to all of its leases, except for the following:

- shortterm leases, with a lease term of 12 months or less as of the commencement date;
- leases for which the underlying asset is of low value (equivalent of below £5,000), based on the value of the asset when it is new; and
- variable lease payments without minimum guaranteed consideration that, by definition, cannot be considered firm and therefore do not constitute lease liabilities to be recognised in the balance sheet.

Recognition of leases under IFRS 16

Under IFRS 16, for each affected lease, the following items are recognised in the balance sheet as of the commencement date:

- a lease liability, corresponding to the present value of all fixed future payments for the estimated term of the lease. The current and non-current portions of the liability are presented separately. Fixed future lease payments include the remeasurement of any payments that depend on an index or a growth rate established in the lease. They may

also include the value of any purchase options or estimated penalties for terminating the lease, where the company is reasonably certain to exercise these options. In addition, any lease incentives receivable as of the commencement date are deducted from fixed payments;

- a right-of-use asset, corresponding to the value of the lease liability less any incentives received from the lessor and plus any prepaid lease payments, initial direct costs and the estimated cost of restoring the asset where required by the terms and conditions of the lease.

After the commencement date and at each reporting date the lease liability is remeasured as follows:

- an increase reflecting the discounting adjustments made over the period depending on the incremental borrowing rate applied to the lease, with a corresponding entry to "Interest expense on leases", a new line item included within "Interest payable and similar charges" in the income statement; a reduction reflecting the lease payments made over the period, with a corresponding entry to "Cash and cash equivalents" in the Statement of financial position;
- an increase reflecting any revisions to the index or growth rate applicable to the lease payments, where appropriate, with a corresponding entry to "Right-of-use assets" in the Statement of financial position;

- an increase or a reduction reflecting the remeasurement of future lease payments further to a change in the estimated lease term, with a corresponding entry to "Right-of-use assets" in the Statement of financial position;

The right-of-use asset is remeasured as follows:

- a reduction reflecting the depreciation of the asset on a straight-line basis over the term of the lease, with a corresponding entry to "Depreciation of right-of-use assets" within "Amortisation, depreciation & write off" in the Statement of comprehensive income;
- a reduction reflecting the potential impairment of right-of-use assets, with a corresponding entry to "Amortisation, depreciation & write off" in the Statement of comprehensive income;
- an increase reflecting any revisions to the index or growth rate applicable to the lease payments, where appropriate, with a corresponding entry to "Lease liabilities" in the Statement of financial position; and
- an increase or a reduction reflecting the remeasurement of future lease payments further to a change in the estimated lease term, with a corresponding entry to "Lease liabilities" in the Statement of financial position.

2. ACCOUNTING POLICIES (CONTINUED)

2.7 Interest income and expense

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

The Effective Interest Rate ("EIR") is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs and all other premiums or discounts.

The interest income/expense is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (that is, to the amortised cost if the financial asset before adjusting for any expected credit loss allowance), or to the amortised cost of financial liabilities.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in other creditors as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2. ACCOUNTING POLICIES (CONTINUED)

2.11 Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Intangible assets with finite lives are stated at acquisition or development cost less accumulated amortisation and less any identified impairment. The amortisation period and method are reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate and are treated as changes in accounting estimates.

Intangible assets comprise the directly attributable costs incurred at the beginning of a project. These implementation (or "set up") project costs are comprised primarily of employee costs. Projects include:

- Software development costs; and
- Early Payment Scheme Service contracts to revise a client's existing payment systems and provide access to the Company's software and other intellectual property.

The useful economic life for each individual asset is deemed to be the term of the Client Contract (generally 5 years) or software development project (3-5 years) which has been deemed appropriate and for impairment review purposes, projected cash flows have been discounted over this period.

2.12 Goodwill

Goodwill arising on acquisition represents the excess cost of a business combination over the fair values of the Company's share of the identifiable assets and liabilities at the date of the acquisition.

Goodwill is not amortised but is reviewed at least annually for impairment.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	5 years (over the lease term)
Office equipment	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively 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 Statement of comprehensive income.

2.14 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for 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 (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.15 Research and development

The Group undertakes research and development activities with the aim of making improvements to the payment platform technology. Research costs are expensed as incurred and development costs (principally staff and consultancy costs) are treated as intangible assets and are amortised and reviewed for impairment at each balance sheet date and when events or changes in circumstances indicate the carrying value may not be recoverable.

2. ACCOUNTING POLICIES (CONTINUED)

2.16 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.17 Cash and cash equivalents

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

2.18 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Financial Instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Impairment of financial assets

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities

At amortised cost.

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

3 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The financial statements and its financial results are influenced by accounting policies, assumptions, estimates and management's judgment, which, where necessary, have to be made in the course of preparation of the financial statements.

The Company determines estimates and assumptions that affect the reported amounts of assets and liabilities for the next financial period. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Actual results may differ from these estimates.

Estimates and judgments are evaluated on a continuous basis, and are based on past experiences and other factors, including expectations with regards to future events. The application of accounting policies and management's judgments for certain items are especially critical for the Company's results and financial situation due to their materiality.

The judgments and estimates that have a significant effect on the amounts recognised in the historical financial information are noted below.

Critical accounting judgments

Impairment reviews of intangible assets – the Company performs impairment reviews at the reporting period end to identify intangible assets that have a carrying value that is in excess of its recoverable amount. Determining the recoverability of intangible assets requires judgment in both the methodology applied and the key variables within that methodology. Where it is determined that an asset is impaired, its carrying value will be reduced to its recoverable amount with the difference recorded as an impairment charge in the income statement.

Early Payment Programme Scheme ("EPPS") set up costs – the Company capitalises the direct costs of implementing EPPS contracts for clients. These costs are essential to the satisfaction of the Company's performance obligation under that contract, and accordingly the Company considers that these costs meet the applicable criteria for recognition as contract assets.

4. REVENUE

An analysis of revenue by class of business is as follows:

	2024 £000	2023 £000
Early Payment fees	5,335	4,041
Software as a Service (SaaS)	1,770	1,392
Partnership income	183	250
Special projects	371	464
	7,659	6,147
Arising in the UK	7,249	5,795
Arising in the USA	410	352
	7,659	6,147

5. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging the following:

	2024 £000	2023 £000
Depreciation of tangible fixed assets	55	57
Amortisation of intangible assets, including goodwill	1,722	1,543
Foreign exchange (gains)/losses	(4)	2
Research and development expenditure	312	312

6. AUDITOR'S REMUNERATION

	2024 £000	2023 £000
Fees payable to Crowe U.K. LLP:		
Audit of the annual accounts of the parent company, Oxygen Finance Group Limited	15	15
Audit of the financial statements of the company's subsidiaries for period to 31 Dec	21	21
Total audit fees	36	36

7. STAFF NUMBERS AND COSTS

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

Group	Number of employees	
	2024	2023
Management and operational support – UK	69	62
Management and operational support – USA	5	4
	74	66

The number of persons employed at 31 December 2024 was 76 (2023: 72).

The aggregate payroll costs of these persons were as follows:

Group	2024 £000	2023 £000
Wages and salaries	4,249	3,971
Social security costs	471	438
Contributions to defined contribution pension plans	119	116
	4,839	4,525

The Company has no employees other than the directors. All staff are employed by the two subsidiary companies in the UK and the USA.

8. DIRECTORS' REMUNERATION

	2024 £000	2023 £000
Directors' emoluments	524	489

During the year ended 31 December 2024, the aggregate emoluments of the highest paid director were £211,000 (2023: £291,000) including company contributions to the directors defined contribution pension plan of £5,000 (2023: £8,000).

During the year retirement benefits were accruing to 3 of the directors (2023: 2 directors) in respect of defined contribution pension schemes.

9. FINANCE EXPENSES

Group	2024 £000	2023 £000
Interest payable and similar expenses		
Finance charge on lease liability for assets-in-use	10	13

10. TAXATION

Recognised in the income statement

Group	2024 £000	2023 £000
Corporation tax		
UK corporation tax at 25% (2023: 23.52%)	(100)	(200)
Adjustments in respect of prior periods	(29)	(104)
Total current tax income	(129)	(304)
Deferred tax		
Origination and reversal of timing differences	(1,287)	(250)
Adjustments in respect of prior periods	37	-
Total deferred tax income	(1,250)	(250)
Taxation on loss on ordinary activities	(1,379)	(554)

Deferred tax asset

Group	31 Dec 2024 £000	31 Dec 2023 £000
Fixed asset timing differences	(607)	(625)
Losses and other deductions	2,107	875
Total deferred tax asset	1,500	250
Deferred tax asset at start of period	250	-
Deferred tax credited in the Statement of Comprehensive Income for the period	1,250	250
Deferred tax asset at end of period	1,500	250
Deferred tax asset not recognised	6,976	8,235

10. TAXATION (CONTINUED)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2023: lower than) the standard rate of corporation tax in the UK of 25% (2023: 23.52%). The differences are explained below:

Group	2024 £000	2023 £000
Profit/(loss) before tax for the year	464	(383)
Tax using the UK corporation tax rate of 25% (2023: 23.52%)	116	(90)
Expenses not deductible for tax purposes	38	53
Other permanent differences	1	1
R+D tax credit	(191)	(96)
Adjustment to tax charge in respect of prior periods – current tax	(29)	(104)
Adjustment to tax charge in respect of prior periods – deferred tax	37	-
Use of losses brought forward	(46)	(81)
Deferred tax asset not recognised	(1,305)	(237)
Total tax income for the year	(1,379)	(554)

Effective from 1 April 2023, the main rate of UK corporation tax increased from 19% to 25%. Tax has been calculated based on the rate of 25% (2023: 23.52%) which was the effective rate for the year.

A deferred tax asset of £1,500,000 (2023: £250,000) in respect of losses has been recognised in the period. The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Group has estimated accumulated tax trading losses of £36,334,000 (2023: £36,776,000) which are available for offset against future taxable income.

11. INVESTMENTS IN SUBSIDIARIES

Company	Shares in subsidiary undertakings £000
Cost	
At 1 January 2024	32,804
Additions	114
At 31 December 2024	32,918
Provision for impairment	
At 1 January 2024	(2,940)
Impairment charge for the year	(114)
At 31 December 2024	(3,054)
Net book value	
At 1 January 2024	29,864
At 31 December 2024	29,864

During the period, the Company capitalised loans due from subsidiary companies of £114,000 (2023: £55,000).

Following an impairment review, a provision for impairment of £114,000 regarding the investment in Oxygen Finance Americas Inc was made in the year (2023: £2,940,000).

The subsidiaries of the Company are as follows:

	Country of Incorporation	Registered Address	Nature of business	Ownership
Oxygen Finance Limited	UK	1st Floor, Enterprise House, 115 Edmund Street, Birmingham, B3 2HJ, UK	Provision of Early Payment Services and Software Subscriptions	100%
Oxygen Finance Americas Inc	USA	9901 Brodie Lane, Suite 160 #304 Austin Tx, 78748, USA	Provision of Early Payment Services	100%
Birmingham Procurement Limited	UK	1st Floor, Enterprise House, 115 Edmund Street, Birmingham, B3 2HJ, UK	Not trading	100%

12. INTANGIBLE ASSETS

Group	Development expenditure £000	Separately identifiable intangible assets £000	Goodwill £000	Total £000
Cost				
At 1 January 2023	7,229	1,387	1,372	9,988
Additions – internal	1,230	-	-	1,230
Additions – external	29	36	-	65
Acquisition of business – BidStats	-	296	119	415
Disposals	(182)	-	-	(182)
Foreign exchange movement	(2)	-	-	(2)
Balance at 31 December 2023	8,304	1,719	1,491	11,514
At 1 January 2024	8,304	1,719	1,491	11,514
Additions – internal	1,178	-	-	1,178
Additions – external	123	53	-	176
Disposals	(97)	-	-	(97)
Foreign exchange movement	1	-	-	1
Balance at 31 December 2024	9,509	1,772	1,491	12,772
Amortisation				
At 1 January 2023	(3,014)	(1,226)	-	(4,240)
Amortisation charge for the year	(1,382)	(161)	-	(1,543)
Disposals	182	-	-	182
Balance at 31 December 2023	(4,214)	(1,387)	-	(5,601)
At 1 January 2024	(4,214)	(1,387)	-	(5,601)
Amortisation charge for the year	(1,648)	(74)	-	(1,722)
Disposals	97	-	-	97
Foreign exchange movement	(1)	-	-	(1)
Balance at 31 December 2024	(5,766)	(1,461)	-	(7,227)
Net book value				
At 31 December 2024	3,743	311	1,491	5,545
At 31 December 2023	4,090	332	1,491	5,913

12. INTANGIBLE ASSETS (CONTINUED)

Amortisation charges are recognised within administrative expenses in the Statement of Comprehensive Income.

Development expenditure – The useful economic life for each individual development expenditure asset is deemed to be the term of the underlying project (normally 3-5 years) which has been deemed an appropriate basis for the amortisation.

Goodwill (Oxygen Insights, formerly Porge) – Intangible assets of £2,759,000 arose from the acquisition of Oxygen Insights by the Group in August 2018. Following the acquisition, separately identifiable intangible assets of £1,387,000 primarily relating to the value of the contracts in the business at acquisition were recognised. These were amortised over 5 years resulting in an amortisation charge of £nil (2023: £161,000) during the year. The net book value of these assets at 31 December 2024 was £nil (2023: £nil). Goodwill related to this transaction excluding these assets at 31 December 2024 was £1,372,000 (2023: £1,372,000).

Goodwill (BidStats) – On 9 November 2023, Oxygen Finance Limited acquired the business of BidStats at a cost of £415,000. Separately identifiable assets of £296,000 were identified relating to the value of the customer relationships and the technology. These are being amortised over 5 years commencing 1 Jan 2024 resulting in an amortisation charge in the year of £60,000 (2023: £nil). Goodwill of £119,000 arose on the acquisition and this is reviewed annually for impairment. Subsequent to the acquisition, additions of £53,000 were made in the year (2023: £36,000) and as at 31 December 2024, the net book value of the BidStats assets total £430,000 (2023:£451,000).

13. TANGIBLE FIXED ASSETS

Group	Office equipment £000	Right of use asset £000	Total £000
Cost			
At 1 January 2023 and 31 December 2023	4	276	280
At 1 January 2024	4	276	280
Disposals	(4)	-	(4)
Balance at 31 December 2024	-	276	276
Depreciation			
At 1 January 2023	(2)	(44)	(46)
Charge for the year	(2)	(55)	(57)
Balance at 31 December 2023	(4)	(99)	(103)
At 1 January 2024	(4)	(99)	(103)
Charge for the year	-	(55)	(55)
Disposals	4	-	4
Balance at 31 December 2024	-	(154)	(154)
Net book value			
At 31 December 2024	-	122	122
At 31 December 2023	-	177	177

The right of use asset relates to the lease of an office building.

14. TRADE AND OTHER RECEIVABLES

Group	2024 £000	2023 £000
Current		
Trade receivables	238	391
Other receivables	186	285
Prepayments and accrued income	722	747
Amounts owed by parent company – TruFin plc	284	21
Deferred tax asset (note 10)	1,500	250
	2,930	1,694

Company	2024 £000	2023 £000
Current		
Amounts owed by subsidiary undertakings	5,520	6,867
Amounts owed by TruFin plc	250	-
Other receivables (note 21)	37	37
	5,807	6,904

15. TRADE AND OTHER PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group	2024 £000	2023 £000
Current		
Trade payables	109	221
Social security and other taxes	404	258
Right of use liability (note 18)	72	69
Other creditors	1	1
Accruals and deferred income	1,458	1,292
	2,044	1,841

16. TRADE AND OTHER PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Group	2024 £000	2023 £000
Non-current		
More than one and less than five years		
Right of use liability (note 18)	75	147
Accruals and deferred income	179	-
	254	147

17. FINANCIAL INSTRUMENTS

The Directors consider that the fair value of the Group and Company's financial assets and liabilities are not considered to be materially difference from their book values.

Group	31 December 2024 £000	31 December 2023 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	424	676
Financial liabilities		
Financial liabilities measured at amortised cost	104	221

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group trades only with recognised, creditworthy third parties and customers are typically local councils which carry an inherently lower credit risk. The maximum exposure to credit risk at the balance sheet date is the trade receivables balance as set out in note 14. Receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debt is not significant.

The bad debt charge for the year was £nil (2023: £nil).

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's strategy is to mitigate liquidity risk by applying revenue growth and cash generation targets across the Group and by careful management of expenditure on overheads.

The Group prepares cash flow information on a regular basis which is reviewed by the Directors and senior management to ensure that as far as possible it will have sufficient liquidity to meet its liabilities when due. Contractually, all liabilities at 31 December 2024 fall due for payment within one year, with the exception of the lease on the office building which is paid quarterly over the coming three years. Management have reviewed the forecast cash requirements of the Group for the following 12 months and have satisfied themselves that the Group will be able to meet its external liabilities as they fall due.

Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

Exposure to currency, interest rate and credit risks arise in the normal course of the Groups business.

The Group's exposure to foreign currency risk is not considered to be significant.

The Group does not have any interest bearing borrowings and so interest rate risk is not considered to be significant.

18. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group adopts IFRS16 – Leases, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for leases which the Group entered into.

The Group believes that there is no readily available means of determining the interest rates implicit in its leases and has thus elected to apply the incremental borrowing rate of 5% pa. The lease is repayable in quarterly instalments.

The carrying amounts of the right-of-use assets recognised and the movements during the year are shown in note 13.

The lease liability and movement during the year were:

Group	£000
Lease liability recognised at 1 January 2024	216
Interest	10
Payments	(79)
Balance at 31 December 2024	147

The maturity analysis of the leases outstanding is as follows:

Group	31 December 2024 £000	31 December 2023 £000
Not later than 1 year	72	69
Later than 1 year and not later than 5 years	75	147
	147	216

19. SHARE CAPITAL

The issued share capital of the Company and Group at 31 December 2024 is as follows:

Company and Group	Number of shares	nominal value £
Number of shares		
Allotted, called up and fully paid		
B Ordinary shares of £0.001 each	125,000	125
Ordinary shares of £0.001 each	875,000	875
C Ordinary shares of £0.001 each	58,650	59
	1,058,650	1,059

Under the terms of the Oxygen Management Incentive Plan, participants are entitled to 12.5% of the growth in the value of Oxygen Finance Group over a set hurdle at the time of a sale or flotation of Oxygen Finance Group.

The holders of Ordinary Shares, B Ordinary shares and C Ordinary shares are entitled to one vote per share at meetings of the Company.

There were no movements in share capital during the period.

20. CAPITAL RESERVE

Group and Company	£000
At 1 January 2023	13,500
Dividend paid	(500)
At 31 December 2023	12,750
At 1 January 2024	12,750
Dividend paid	(1,300)
At 31 December 2024	11,450

The capital reserve first arose in 2022 when the parent company TruFin plc waived the outstanding value of the intercompany loan to the Company. This was reflected as a capital contribution to equity in the financial statements.

The capital reserve is distributable and a dividend of £1,300,000 was declared, authorised and paid to TruFin Holdings Limited in October 2024 (Nov 2023: £500,000).

21. RELATED PARTY TRANSACTIONS

The Company operates a Management Incentive Plan and has issued loans to employees to purchase shares in the Company in relation to this, which carry interest at 2.5% per annum. As at 31 December 2024, loans outstanding to employees totalled £37,000 (2023: £37,000). Included in this are directors loans payable by A. Price of £8,000 (2023: £8,000) and V. Sloane of £3,000 (2023: £3,000).

22. CONTROLLING PARTY

The Company's ultimate parent company is TruFin plc.

The address of the registered office of TruFin plc is 26 New Street, St Helier, Jersey, JE2 3RA.

The results of the Company are consolidated into the financial statements of TruFin plc which can be found on TruFin's website www.trufin.com.



Oxygen Finance Group Ltd.
Registered Office: 1st Floor, Enterprise House, 115 Edmund Street, Birmingham, B3 2HJ
Registered No. 11010451.