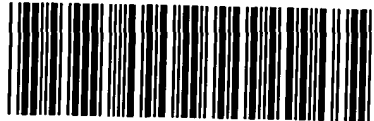


Company Registration No. 05653869

Content Guru Limited

**Annual report and financial statements
for the year ended 31 December 2022**

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Content Guru Limited

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Content Guru Limited

Company information

Directors S Z Taylor (Chairman)
 P M H Taylor
 J P Taylor

Secretary P M H Taylor

Registered office Radius Court
 Eastern Road
 Bracknell
 Berkshire
 RG12 2UP

Bankers Barclays Bank
 Bracknell Group
 PO Box 61
 Bracknell
 Berkshire
 RG12 1GS

Solicitors Osborne Clarke
 3 Forbury Place
 23 Forbury Road
 Reading
 Berkshire
 RG1 3JH

Auditor Ernst & Young LLP
 R+, 2 Blagrove Street
 Reading
 Berkshire
 RG1 1AZ

Content Guru Limited

Strategic report

The directors present their Strategic Report and the affairs of the Company for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The Company is wholly owned by Redwood Technologies Group Ltd (Group).

The principal activity of the Company continues to be the provision of cloud-based Customer Experience (CX) services (including Customer Engagement, Customer Knowledge and Cloud Contact Centre solutions). The Company has now become established as one of the world's leading companies in its field.

STRATEGIC REVIEW

2021 was Group's best sales-bookings year in its history and 2022 brought another strong order book, with sales bookings at the same level. Delivery of services was slowed by a number of customers seeking to defer their go-live dates, typically due to resource constraints in their transformation teams, which slowed revenue growth.

In anticipation of continued strong revenue growth, Group took the opportunity to invest significantly in hiring. From January 1st to December 31st its total headcount increased by just under 30%, with the average headcount for the year increasing by 14%.

Group expects 2023 and 2024 to be challenging for the global economy but due to the cost efficiencies and increased revenues its services can provide across a range of sectors, anticipates that its organic growth will continue to be double digit.

Total revenues increased by 8% (2021: 45%) while gross profits increased by 18% (2021: 22%). Administrative expenses increased by 19% during the year (2021: 20%) resulting in an operating profit margin remaining unchanged at 5% (2021: 5%).

Profit before tax for the year was £1,774,413 (2021: £1,594,875). As in previous years profits have been balanced against continued investment to ensure long-term sustainability for the Company. The position of the Company at the year-end is set out in the balance sheet on page 15.

The key financial and other performance indicators during the year were as follows:

Revenue – this increased by 8% to £34,611,043 (2021: £31,964,459)

Gross profit – this ended 18% higher at £19,068,000 (2021: £16,159,770)

EBITDA – was 6% of revenues at £2,041,379 (2021: £1,870,292)

Retained profit – retained profits amounted to £1,815,948 (2021: £1,308,713)

Dividends – no dividend is proposed (2021: £400,000)

KEY PERFORMANCE INDICATORS

The Company must contribute to Group's key performance indicators (KPIs).

A Group KPI is to run on a '20:20:10' basis, which is broken down as follows:

20 – A target of above 20% annual revenue growth.

20 – A target of Adjusted EBITDA of 20% of overall revenues

10 - A target of Adjusted EBIT of 10% of overall revenues.

The Company is below the overall (20% increase) revenue KPI for the Group.

Recurring revenues, rather than one-off, are of primary importance. Recurring revenues comprise income earned through services contracts with a duration of one year or more and constitute the seat/licence fees and/or usage fees for those services. Group offers three-year services contracts as a default but during the pandemic has allowed some customers to take shorter-term contracts in order to enable them to quickly establish business continuity services.

Customer churn during 2022 was 0.67% (2021: 3.10%) (calculated as the total recurring revenue for the previous 12 months of a lost contract expressed as a percentage of overall annual recurring revenues).

Content Guru Limited

Strategic report (continued)

PRINCIPAL RISKS AND UNCERTAINTIES

Principal risks and uncertainties are the same for the Company as for Group.

Group continuously tracks risk through its risk-management registers and management strategy reviews. Group's risk management does not eliminate risk; it identifies risk and devises strategies for mitigating and managing.

Principal risks and uncertainties raised in last year's report were:

- Uncertainty due to Brexit
- Impact of COVID-19
- Discounting from CCaaS (Contact Centre as a Service) competitors unable to command value with a strong service offering, impacting market prices and potentially impacting Group's profitability
- Foreign exchange fluctuations (e.g. euro, US dollar, Japanese yen vs British pound)
- Business-as-usual technology risks such as security, data protection, maintaining reputational standing, keeping up with advances in technology.

Added to this list for 2022 is cost inflation.

Covering each item briefly in turn:

- Group continues to monitor the risk of Brexit. It is reducing its exposure to UK markets by continuing its investments in mainland Europe, the Americas and AsiaPac.
- COVID-19 risk has eased. Supply-chain latency has continued to reduce.
- Discounting from CCaaS competitors continues to be a risk but reduced in 2022. Most of Group's major competitors have reduced their headcount as they pivot from high growth to profitability. In conjunction, a more-experienced customer base that understands 'you get what you pay for'.
- Foreign exchange rate fluctuations continue to be one of the principal risks for Group and one which Group continues to monitor and ensure that it has sufficient controls to mitigate. It generates euro, US dollar, Japanese yen and British pound revenues, so is not exposed to a single currency.
- Business-as-usual Technology risks, such as security and data protection, continue to command the necessary high levels of attention from all levels of Group. Major investment continues in Group's cloud infrastructure to ensure the business has best-in-class protection for itself and its customers.
- In common with many other businesses, Group has experienced higher cost inflation during 2022 than in prior years. Energy costs for data centres increased significantly. Salary-increase expectations have risen significantly from previous years. Group anticipates that wage inflation will continue to be high through 2023 as unemployment rates are low and hiring of talent is a key challenge for many organisations. Group continues to invest in automation of its processes to ensure it can scale without a directly-proportionate increase in headcount. In addition it will near-shore some of its hiring to maximise cost advantage within other labour markets.

Overall Group's directors continue to feel confident about the coming years but are cautious about the overall global economic outlook. Group's rolling three-year business plan ('the Business Plan') forecasts strong growth for 2023-25. The Business Plan provides strategic planning, including product development, infrastructure investment, sales and marketing activities and financial requirements to support those activities. The Business Plan evaluates risks and uncertainties alongside new opportunities, and factors these into its planning.

Group's credit risk is primarily attributable to its trade debtors, with this risk mitigated by upfront payments for projects, credit limits set by reference to credit rating agencies and close monitoring of each customer's account. Group's services are furthermore considered mission-critical by most customers. Liquidity risk is minimised by Group's policy of maintaining cash surpluses and minimising debt.

Content Guru Limited

Strategic report (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

As per last year's statement, good technical infrastructure and processes are in place to enable sustainable growth. In addition to certifications such as ISO9001 (quality), ISO27001 (security), ISO14001 (environmental), ISO22301 (disaster recovery), ISO20000 (service management) and PCI DSS, Group has achieved SOC 2 Type 2 certification.

STAKEHOLDER ENGAGEMENT

This statement is intended by the directors to set out how they have approached and met their responsibilities under Section 172 of Companies Act 2006 in the financial period ending 31 December 2022.

The directors have considered the activities of the company in the year and have identified any:

- key stakeholders, and reviewed how the directors have engaged with these groups; and any
- principal decisions, where the directors consider there to be a material impact on the identified stakeholders.

By virtue of the common structure of the boards of directors and management throughout the Redwood Technologies Group Ltd the considerations relating to principal decisions and engagement with stakeholders have been considered on a Group-wide basis, including considerations for this company. In addition, any decisions, policies or other requirements provided by the directors of the Group are also applied to this company where applicable due to the aforementioned common director and management structure.

As such, the information presented below cross references the annual report of Redwood Technologies Group Ltd which includes information relating to this company. Any further information provided is consistent with the size and complexity of the company and has been cross-referenced to other areas of this annual report where appropriate.

Principal decisions

During the year the directors concluded there were no principal decisions that directly impacted this company. However, principal decisions made at Group level that have indirect impact on this company, by virtue of belonging to the same Group, are presented in the annual report of Redwood Technologies Group Ltd for the year ended 31 December 2022.

Key stakeholder relationships

The directors identified the community, customers, colleagues, investors, and suppliers as key stakeholder relationships, and considered the engagement undertaken with these groups.

Information relating to stakeholder engagement is presented in the annual report of Redwood Technologies Group Ltd for the year ended 31 December 2022, and includes information relating to this company.

Content Guru Limited

Strategic report (continued)

CORPORATE AND SOCIAL RESPONSIBILITY

The Company aims to ensure that its colleagues work in a happy and secure environment. The Company's risk corporate and social responsibility objectives and policies are the same as for Group.

Senior management from Group has maintained its involvement with a number of organisations to ensure it has good general input regarding business or environmental matters. Group is a founder member and organiser of Berkshire Community Foundation's Business Philanthropy Club. One of Group's directors, is a Vice President of Berkshire Community Foundation and President of Bracknell Athletics Club. Another director, sits on the Advisory Board of the Department of Management at King's College London. At a local level Redwood Technologies Ltd organises the Pride of Bracknell Awards, celebrating achievements in charitable and voluntary causes, education and health and sport. All Group's entities in all regions are provided budget to support local voluntary causes.

Group has established an ESG Task Force involving all departments within the business and sets and promotes activities such as its recycling schemes, energy consumption reduction plans, green transport.

The Group puts quality first and focuses on achieving the highest standards with compliance across multiple standards such as ISO 27001, PCI DSS compliance, ISO 9001, ISO 14001.

FUTURE DEVELOPMENTS

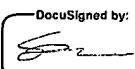
Over the next three years Group will aim to continue its strong profitable organic growth in recurring revenues and will expand its services infrastructure and teams across all territories.

Key product enhancements for 2023 will involve four key pillars:

1. Digital shift – Group's customers will adopt more digital technology to engage with end customers, such as increased use of video and more social media channels in addition to traditional voice services. Group will continue to build its support for digital channels.
2. Customer Data Platform (CDP) – Customer data continues to increase in value and is used to create better customer experiences. Group will continue to enhance its storm® CKS® (Customer Knowledge System) CDP solution.
3. Digital customer – Group will continue to build more connections to IoT (Internet of Things) modules such as health devices, smart meters and tracking devices, which are termed 'digital customers' by Group.
4. Intelligent automation – This includes technologies such as generative AI (e.g. ChatGPT) and is used to bring efficiencies through automation (e.g. customer self-serve) to customers.

Over the next five years Group anticipates continued strong revenue growth as it maintains its position as a leader in the CCaaS (Contact Centre as a Service) market and continues to build its longer-term fifteen-year plan for the next-generation CX (Customer Experience) marketplace.

Approved by the Board of Directors and signed on behalf of the Board.

DocuSigned by:

S Z Taylor

Director
29 September 2023

Content Guru Limited

Directors' report

The directors present their annual report on the affairs of the Company, together with the audited financial statements, for the year ended 31 December 2022.

RESULTS AND DIVIDENDS

The directors are confident that the continuing long-term market trend remains positive and that the Company will continue to build on its success in the coming year.

Profit after tax for the financial year amounted to £1,815,948 (2021: £1,308,713). The directors have not proposed a dividend in respect of the financial year ended 31 December 2022. For the financial year ended 31 December 2021 a dividend of £5.33 per eligible ordinary share, amounting to £0.4m was declared and paid on 6 January 2021.

Future developments

Details of future developments can be found in the Strategic Report on page 5.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's risk management objectives and policies are the same as for Group.

Group's activities expose it to a number of financial risks including in relation to competition, technological development, price, credit, foreign currency and liquidity risk. Group's primary goal is to continue a policy of sustainable and controlled growth allied to an acceptable level of profitability. Group believes these objectives can best be met by securing long-term relationships with customers who recognise the high value added nature of Group's products and services.

Competitive risk

Market demand for Group's products continues to be strong, with services such as cloud contact centre driven by the current demand for distributed working. Group tracks competitive threats through its own research and via a number of analyst companies. Group will continue to ensure its products and services are best-in-class and constantly monitor its pricing position.

Technological risk

Group carries out a significant amount of research and development in the technological development and some of this research effort may take several years to deliver a return on investment or may fail to deliver a return. The level of risk is always kept at a financially acceptable level and is further mitigated by ensuring that research projects are chosen according to mid to long-term business objectives. Some experimental products have no expected return on investment and most commercial products are typically launched on a 'fast follower' basis to further ensure their commercial success.

Foreign currency risk

Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. It continues to balance its cost and revenues in non-sterling currencies to minimise the effect of currency variations. Group does not use foreign exchange forward contracts to hedge the profit element derived from non-sterling currencies.

Content Guru Limited

Directors' report (continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

Group's principal financial assets are bank balances and trade receivables. Bank balances are held only with major banks and bad debt risk is minimised by Group's credit management procedures and the fact that its services are often critical to its clients, which encourages timely payments.

Liquidity risk

Group continues to invest in infrastructure and staff resources and ensures it has sufficient liquidity for operational and capital requirements monitored by way of regular cash flow projections.

Streamlined Energy and Carbon Reporting (SECR)

Group is required to report greenhouse gas emissions in accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The scope of this report includes emissions associated with the operation of our Global Headquarters, which is located in Bracknell, UK. Group also has locations in the Netherlands, Germany, Japan and USA, however emissions for those sites are excluded from this report.

By virtue of the common structure of the boards of directors and management throughout the Redwood Technologies Group Ltd, these requirements have been presented on a Group-wide basis, which includes the emissions associated with Content Guru Limited as a UK based company.

Content Guru Limited holds certification awarded by Lloyd's Register against the International Standard for Environmental Management System (ISO 14001:2015) and as such has identified and continues to demonstrate improvement in accordance with the requirements of the ISO 14001 standard.

CHARITABLE CONTRIBUTIONS

Donations to charitable causes of £5,943 (2021: nil) were made during the year. Supporting charitable causes is an important role of the Company in the community but is done on a fiscally responsible basis. Other charitable activities involving sponsoring community events and the time of directors and staff do not appear as charitable contributions.

DIRECTORS' INDEMNITIES

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

POLITICAL CONTRIBUTIONS

No political donations were made during the year (2021: none).

Content Guru Limited

Directors' report (continued)

GOING CONCERN

The Directors have reviewed the financial performance and position of the Company and have assessed the cash flow forecasts through to 30 September 2024 ("the going concern review period"). The company is trading and has strong net assets, it is highly cash generative, and it is profit making, as noted in the Strategic Report. The Company is in a net current assets position of £7,108,684 at 31 December 2022 (2021: £5,231,316) including cash reserves of £5,422,103 (2021: £2,453,860). In addition, the Company is part of a larger group and the Directors have received confirmation from the ultimate parent company of the Group (see note 14) that access to financial support would also be available during the going concern review period if required.

The Directors are satisfied that, due to the robustness of its business, headroom in the cash flow forecast and, if required, the ability of the Company and Group to control its operating costs and capital expenditures the business would continue to have sufficient cash available even in the event of any reasonably possible downturn in Company or Group's operations. On the basis of their assessment, the Directors expect that the Company and the Group will be able to continue in operational existence for the period up to and including 30 September 2024, and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS

The directors, who served throughout the year, were as follows:

S Z Taylor (Chairman)
P M H Taylor
J P Taylor

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are a director at the date of approval of this report has confirmed that:

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

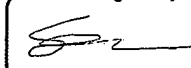
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

RE-APPOINTMENT OF AUDITOR

Ernst & Young LLP has been deemed re-appointed under section 485 of the 2006 Act.

APPROVAL

Approved by the Board and signed on its behalf by:

DocuSigned by:

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S Z Taylor

Director
29 September 2023

Content Guru Limited

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable laws and regulations.

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

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

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

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

Content Guru Limited

Independent auditor's report to the members of Content Guru Limited

Independent auditor's report to the members of Content Guru Limited

Opinion

We have audited the financial statements of Content Guru Limited for the year ended 31 December 2022 which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 14, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 30 September 2024

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Content Guru Limited

Independent auditor's report to the members of Content Guru Limited

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 this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the strategic report and directors' report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Content Guru Limited

Independent auditor's report to the members of Content Guru Limited

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the UK Companies Act 2006), the relevant tax compliance regulations in the UK, the UK Bribery Act, Employment Regulations, and the General Data Protection Regulation (GDPR).
- We understood how Content Guru Limited is complying with those frameworks by making inquiries of management and those responsible for legal and compliance procedures to understand how the Company maintains and communicates its policies and procedures in these areas, and to understand the culture and whether there is a strong emphasis placed on fraud prevention, which may reduce opportunities for fraud to take place as well as fraud deterrence. We corroborated our enquiries through our inspection of Board minutes, review of any correspondence with relevant authorities for which there were none and made consideration of the results of our audit procedures performed to either corroborate or provide contrary evidence which was then followed up.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved review of board minutes, enquiries with management and testing of manual journals identified by specific criteria.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by considering there to be a potential for management to manipulate reported turnover to either achieve favourable operating results for the current period or the subsequent period. We considered that this could be achieved through: i) recognition of revenue in the incorrect accounting period; ii) overstatement or understatement of accrued income; iii) inappropriate recognition of revenue from contracts with customers; and iv) posting of manual journal adjustments to revenue. We performed walkthroughs of significant classes of turnover transactions to understand significant processes and identify and assess the design effectiveness of relevant controls. We used data analytics tools to perform a correlation analysis to identify those turnover journals for which the corresponding entry was not to cash. These identified entries included VAT, credit memos and other receivables and we obtained corroborating evidence for such entries. We corroborated the recognition and measurement of turnover by tracing a sample of transactions, selected at random throughout the year, to cash receipt to confirm the accuracy of reported turnover. For a sample of customer contracts selected using both quantitative and qualitative criteria, we reviewed management's accounting treatment, inspected the contract's terms and conditions including supplemental schedules and annexes and made enquiries of both finance and non-finance personnel to corroborate the turnover recognition method adopted by management.

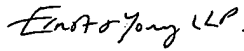
Content Guru Limited

Independent auditor's report to the members of Content Guru Limited

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

Use of our report

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

DocuSigned by:

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Daniel Dennett (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Reading
29 September 2023

Content Guru Limited

Statement of comprehensive income For the year ended 31 December 2022

	Note	2022 £	2021 £
Turnover	3	34,611,043	31,964,459
Cost of sales		<u>(15,543,043)</u>	<u>(15,804,689)</u>
Gross profit		19,068,000	16,159,770
Administrative expenses		<u>(17,293,587)</u>	<u>(14,564,895)</u>
Operating profit		<u>1,774,413</u>	<u>1,594,875</u>
Profit before taxation	4	1,774,413	1,594,875
Tax on profit	6	<u>41,535</u>	<u>(286,162)</u>
Profit for the financial year		<u><u>1,815,948</u></u>	<u><u>1,308,713</u></u>

There are no amounts to disclose in relation to Other Comprehensive Income. All results are from continuing operations.

The notes on pages 17 to 27 form part of these financial statements.

Content Guru Limited

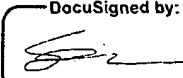
Balance sheet

As at 31 December 2022

	Note	2022 £	2021 £
Non-Current assets			
Tangible assets	7	680,876	552,873
Debtors	8	2,078,840	2,262,132
		<u>2,759,716</u>	<u>2,815,005</u>
Current assets			
Debtors	8	9,493,514	8,221,085
Cash at bank and in hand		5,422,103	2,453,860
		<u>14,915,617</u>	<u>10,674,945</u>
Creditors: amounts falling due within one year	9	<u>(7,806,933)</u>	<u>(5,443,629)</u>
Net current assets		<u>7,108,684</u>	<u>5,231,316</u>
Total assets less current liabilities		<u>9,868,400</u>	<u>8,046,321</u>
Creditors: amounts falling due after one year	9	<u>(457,268)</u>	<u>(451,137)</u>
Net assets		<u>9,411,132</u>	<u>7,595,184</u>
Capital and reserves			
Called up share capital	11	750	750
Capital redemption reserve		250	250
Share-based payment reserve		284,262	284,262
Profit and loss account		9,125,870	7,309,922
		<u>9,411,132</u>	<u>7,595,184</u>
Shareholders' funds		<u>9,411,132</u>	<u>7,595,184</u>

The notes on pages 17 to 27 form part of these financial statements.

The financial statements of Content Guru Limited (registered number 05653869) were approved by the board of directors and authorised for issue. They were signed on its behalf by:

DocuSigned by:

 9A8D954FA5B744F...
 S Z Taylor

Director
 29 September 2023

Content Guru Limited

Statement of changes in equity For the year ended 31 December 2022

	Called-up share capital £	Capital redemption reserve £	Share-based payment reserve	Profit and loss account £	Total £
At 1 January 2021	750	250	284,262	6,401,209	6,686,471
Profit for the financial year	-	-	-	1,308,713	1,308,713
Total comprehensive income	-	-	-	1,308,713	1,308,713
Dividends declared	-	-	-	(400,000)	(400,000)
At 31 December 2021	750	250	284,262	7,309,922	7,595,184
Profit for the financial year	-	-	-	1,815,948	1,815,948
Total comprehensive income	-	-	-	1,815,948	1,815,948
At 31 December 2022	750	250	284,262	9,125,870	9,411,132

Content Guru Limited

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies

The financial statements are prepared under the historical cost convention. The principal accounting policies are summarised below. They have all been applied consistently throughout the year and in the preceding year.

a. General information and basis of accounting

Content Guru Limited is a private company limited by shares incorporated in England and Wales, United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 2.

Content Guru Limited is consolidated in the financial statements of its ultimate parent, Redwood Technologies Group Ltd, which may be obtained from Companies House. Content Guru Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement (Section 7), financial instruments (Sections 11 and 12), share-based payments (Section 26) and related party transactions (Section 33).

The functional currency of Content Guru Limited is considered to be pounds Sterling because that is the currency of the primary economic environment in which the Company operates.

Going Concern

The Directors have reviewed the financial performance and position of the Company and have assessed the cash flow forecasts through to 30 September 2024 ("the going concern review period"). The company is trading and has strong net assets, it is highly cash generative, and it is profit making, as noted in the Strategic Report. The Company is in a net current assets position of £7,108,684 at 31 December 2022 (2021: £5,231,316) including cash reserves of £5,422,103 (2021: £2,453,860). In addition, the Company is part of a larger group and the Directors have received confirmation from the ultimate parent company of the Group (see note 14) that access to financial support would also be available during the going concern review period if required.

The Directors are satisfied that, due to the robustness of its business, headroom in the cash flow forecast and, if required, the ability of the Company and Group to control its operating costs and capital expenditures the business would continue to have sufficient cash available even in the event of any reasonably possible downturn in Company or Group's operations. On the basis of their assessment, the Directors expect that the Company and the Group will be able to continue in operational existence for the period up to and including 30 September 2024, and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

b. Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Computer equipment 20% straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Content Guru Limited

Notes to the financial statements For the year ended 31 December 2022

1. Accounting policies (continued)

c. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand.

d. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Content Guru Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

e. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

f. Turnover

Turnover represents amounts receivable for services net of VAT and other sales taxes. Turnover is derived from four main sources: provision of professional services, seat licencing, transaction fees and the sale of equipment.

Professional services fees are consultancy and development fees associated with the provision of services. Professional services fees are charged on a per-day basis and recognised as work is performed.

Seat licence fees represent charges to access a service feature such as a management information reporting interface and are charged and recognised over the seat licence period.

Transaction fees represent fees received for the use of a service such as making a payment by phone and are charged and recognised on a per-time or per-use basis.

Equipment sales represent ad hoc sales of hardware as part of the delivery of a service. These sales are recognised on the delivery of the hardware to customers' requested delivery locations.

g. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

Content Guru Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

h. Pensions

Contributions made by the Company to money purchase pension schemes are charged to the profit and loss as they arise. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

i. Share-based payments

The Company issues equity-settled share options to certain colleagues within the Company. Equity-settled share-based payment transactions are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The vesting period ends on the date on which the relevant colleagues become fully entitled to the award. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period. At each balance sheet date, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions the movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

Fair value is measured by use of the Black Scholes pricing model which is considered by management to be the most appropriate method of valuation. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

j. Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

k. Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2. Critical Accounting Judgements

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the Company's accounting policies

The following are the critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Unbundling of Revenue Contracts

In making its judgement, management considered the detailed criteria for the recognition of revenue from the sale of goods set out in FRS 102 Section 23 Revenue and, in particular, whether the Company had transferred to the buyer the significant risks and rewards of ownership of the goods. Where customer orders consist of multiple revenue sources, as defined in note 1f above, contract values are distinctly segregated and revenue recognition separately accounted for according to the Company's revenue recognition policies.

Content Guru Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

3. Turnover

Sales to related parties made in the year ended 31 December 2022 were £nil (2021: £nil).

An analysis of the Company's revenue by stream is as follows:	2022 £	2021 £
Professional services	3,788,764	2,712,498
Seat licence fees	25,918,674	24,182,259
Transaction fees	4,735,288	4,922,235
Equipment sales	168,317	147,467
Total revenue	34,611,043	31,964,459

An analysis of the Company's revenue by geography is as follows:	2022 £	2021 £
United Kingdom	34,103,477	31,608,266
International	507,566	356,193
Total revenue	34,611,043	31,964,459

4. Profit before taxation

Profit before taxation is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets (note 7)	266,966	275,417
Rentals under operating leases		
- Plant and machinery	26,732	29,216
Auditor's remuneration		
- Audit	85,000	70,779
Foreign exchange (gains)/losses	(181,941)	12,648

None of the directors received any emoluments from the Company during the year. These are borne by another Group entity, Redwood Technologies Limited.

Content Guru Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

5. Employee numbers and costs

The average monthly number of colleagues was:

	2022 Number	2021 Number
Sales, marketing, finance and administration	73	58
Research, development and professional services	126	121
	<u>199</u>	<u>179</u>

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	12,507,737	10,966,676
Social security costs	1,515,359	1,278,607
Pension contributions	306,481	255,716
	<u>14,329,577</u>	<u>12,500,999</u>

In addition to the wages and salaries cost disclosed above, no share-based payment charge was made for the current year (2021: £nil). There are no pension commitments at the year-end date other than those recorded on the balance sheet (2021: £nil). Wages and salaries includes £22,596 (2021: £379,221) relating to a cash-settled Long-Term Cash Based Incentive Plan (LTIP). Director's services have been remunerated by Redwood Technologies Limited, a related company.

Given the Director's provide services to all group companies it is not practical to allocate their remuneration for services directly provided to the Company. Full details of Directors' remuneration for their role as Directors of the Group is given in the financial statements of Redwood Technologies Group Ltd.

Content Guru Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

6. Tax on profit

The tax charge comprises:

	2022 £	2021 £
Current tax on profit		
UK corporation tax	26,975	351,246
Adjustments in respect of prior years		
UK corporation tax	(2,883)	25,105
Total current tax	<u>24,092</u>	<u>376,351</u>
Deferred tax		
Origination and reversal of timing differences	47,369	(1,072)
Deferred tax asset for LTIP	(5,649)	(89,117)
Deferred tax asset on remuneration liabilities	(107,347)	-
Total deferred tax (see note 10)	<u>(65,627)</u>	<u>(90,189)</u>
Total tax on profit	<u>(41,535)</u>	<u>286,162</u>

The UK Budget Announcement on 3 March 2021 stated that the current corporation tax rate of 19% will increase to 25% from 1 April 2023. The change from 19% to 25% was substantially enacted on 24 May 2021 and has therefore been reflected in these financial statements with regard to deferred tax assets and liabilities where appropriate.

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2022 £	2021 £
Profit before tax	<u>1,774,413</u>	<u>1,594,875</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 19% (2021: 19%)	337,138	303,026
Effects of:		
- Expenses not deductible for tax purposes	(5,019)	(91,717)
- Other timing differences	(64,176)	68,500
- Adjustments to tax charge in respect of prior year	(2,883)	25,105
- Group relief not paid for	(306,595)	-
- Tax rate changes	-	(18,752)
Total tax charge for year	<u>(41,535)</u>	<u>286,162</u>

Content Guru Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

7. Tangible fixed assets

	Computer equipment Total
Cost	£
At 1 January 2022	2,176,237
Additions	397,803
Disposals	(208,646)
	<hr/>
At 31 December 2022	2,365,394
	<hr/>
Accumulated depreciation	
At 1 January 2022	1,623,364
Charge for the year	266,966
Disposals	(205,812)
	<hr/>
At 31 December 2022	1,684,518
	<hr/>
Net book value	
At 31 December 2022	680,876
	<hr/> <hr/>
At 31 December 2021	552,873
	<hr/> <hr/>

8. Debtors: amounts falling due after one year

	2022	2021
	£	£
Prepayments	307,792	91,592
Accrued income	1,555,848	2,081,423
Deferred tax asset (see note 10)	215,200	89,117
	<hr/>	<hr/>
	2,078,840	2,262,132
	<hr/> <hr/>	<hr/> <hr/>

Content Guru Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

8. Debtors: amounts falling due within one year

	2022	2021
	£	£
Trade debtors	4,099,994	2,044,377
Amounts receivable from group undertakings	1,708,386	2,948,142
Prepayments and other debtors	1,116,297	601,363
Accrued income	2,568,837	2,539,917
Deferred tax asset (see note 10)	-	87,286
	<u>9,493,514</u>	<u>8,221,085</u>

No interest is charged between Group entities. All intercompany debts are considered payable upon demand, and therefore classified as current assets/liabilities. As all Group companies are under the same management control, no debts will be called upon if it would put the payer into doubt over its ability to continue as a going concern.

9. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	1,024,219	609,938
Amounts owed to group undertakings	3,910,953	2,046,923
Corporation tax	-	95,990
Deferred Tax Liability (see note 10)	-	26,830
Other creditors including taxation and social security	718,313	908,203
Accruals	1,206,573	1,182,133
Deferred income	946,875	573,612
	<u>7,806,933</u>	<u>5,443,629</u>

Creditors: amounts falling due after one year

	2022	2021
	£	£
Accruals	457,268	432,647
Deferred Income	-	18,490
	<u>457,268</u>	<u>451,137</u>

No interest is charged between Group entities. All intercompany debts are considered payable upon demand, and therefore classified as current assets/liabilities. As all Group companies are under the same management control, no debts will be called upon if it would put the payer into doubt over its ability to continue as a going concern.

Content Guru Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

10. Deferred taxation

	2022 £	2021 £
The movement in the deferred taxation balances during the year was:		
Deferred tax assets brought forward at 1 January	149,574	59,385
(Charge)/Credit for the year	(47,370)	1,072
Deferred tax asset on remuneration liabilities	107,347	-
Deferred tax asset on Long term incentive plan	5,649	89,117
	<u>215,200</u>	<u>149,574</u>
At 31 December	<u>215,200</u>	<u>149,574</u>
	2022 £	2021 £
Deferred tax is provided as follows:		
Accelerated capital allowances	(78,881)	(26,830)
Pension tax asset	20,902	16,221
Share-based payments	71,066	71,066
Deferred tax on remuneration liabilities	107,347	-
Long term incentive plan	94,766	89,117
	<u>215,200</u>	<u>149,574</u>

The net deferred tax asset of £215,200 (2021: £149,574) reconciled above comprises the total of the deferred tax balances disclosed in notes 8 and 9.

During the year beginning 1 January 2023, the reversal of deferred tax liabilities is expected to reduce the corporation tax charge for the year by £20,000. This is due to the expectation that depreciation will be in excess of capital allowances through continuing capital investment. There is no expiry date on timing differences.

11. Called-up and authorised share capital and reserves

	2022 £	2021 £
Authorised, called up, allotted and fully paid		
75,000 (2021: 75,000) ordinary shares of £0.01 each	<u>750</u>	<u>750</u>

Ordinary shareholders have the right to vote in general meetings, receive dividends and participate in capital distributions.

Content Guru Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

12. Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Within one year:	21,531	12,164
Between one and five years:	8,565	6,082
	<u>30,096</u>	<u>18,246</u>

13. Share-based payments

The group established an Enterprise Management Incentive ('EMI') plan on 23 May 2016 under which share options were granted to certain colleagues of the group. The Schemes are equity-settled share based payment arrangements whereby the colleagues are granted share options of the parent company's equity instruments, specifically its Ordinary B shares of £0.001 each.

The scheme includes non-market-based vesting conditions only, whereby the share options may be exercised from the date that they vest until the 10th anniversary of the date of the grant. There are no performance based vesting conditions and the only vesting requirement is that the recipient remains in employment with the Company for two years from the grant date. No share based payment expense was incurred in the year (2021: £nil).

14. Ultimate parent undertaking and controlling party

The immediate parent company and ultimate holding company is Redwood Technologies Group Ltd, registered in the same office as the Company. The ultimate controlling parties are S Z Taylor, and P M H Taylor by virtue of their shareholdings in Redwood Technologies Group Ltd.

The consolidated results of Redwood Technologies Group Ltd is the only group of which the Company is a member for which group financial statements are drawn up. The consolidated results can be obtained from Radius Court, Eastern Road, Bracknell, Berkshire, RG12 2UP.