Registered number: 09825744

CONTENT SQUARE LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2024

CONTENT SQUARE LTD

COMPANY INFORMATION

Directors	J Cherki N Fritz (resigned 11 October 2024) A Gouachon B Fouilland (appointed 1 May 2024)
Registered number	09825744
Registered office	10 Devonshire Square London EC2M 4YP
Independent auditors	BKL Audit LLP Chartered Accountants & Statutory Auditor 35 Ballards Lane London N3 1XW

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STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2024

Introduction

Content Square is the leader in experience analytics enabling brands to create better digital experiences across websites, mobile phones and apps. The Group's platform captures billions of mouse movements and mobile interactions, to analyse user journeys, identify struggle, measure content performance (text, images, videos) and compare price impact and product relevancy. Content Square transforms this data into recommendations, enabling companies to prioritize their decisions and increase conversion and revenue. Content square's digital experience analytics unlocks the power of customer understanding on a single platform. Build business resiliency, grow revenue and maximise ROI with an exceptional digital customer experience.

The Company vison is to moves beyond traditional analytics to enable an unprecedented understanding of the customer experience that transforms your business. With intuitive technology that reveals the behaviour, intent and feelings of any and every user, we allow businesses to deliver more human experiences quickly, while ensuring privacy and accessibility. This results in faster growth, greater agility and happier customers. We power the new digital experience, made more human.

Business review

Content Square Ltd (referred to as the "Company") is a private company limited by shares incorporated in England and Wales, with its registered office located at 10 Devonshire Square, EC2M 4YP, London. The Company's immediate parent company is Content Square SAS (referred to as the "Group"), a French company.

The primary focus of the Company's operations is on the distribution and marketing of Content Square SAS's analytic software-as-a-service solution. This solution is a key offering in the Company's portfolio.

Throughout the year, the Company did not introduce any new products or services that had a material impact on its financial statements.

Principal risks and uncertainties

The Company faces several key risks and uncertainties, which are managed through existing arrangements with the Group:

1. Credit Risk: This risk involves potential financial losses if customers or counterparties fail to meet their contractual obligations, particularly concerning trade receivables. The Company's credit exposure is influenced by individual customer profiles. To mitigate this, the Company has established a credit policy and regularly monitors credit risk.

2. Liquidity Risk: The Company manages liquidity risk by focusing on cash generation from operations and receiving ongoing support from its parent company, Content Square SAS.

3. Foreign Currency Risk: The Company engages in transactions in various currencies with customers, related parties, and suppliers. While transactions are settled promptly, the Company remains exposed to foreign exchange fluctuations related to supplier payments.

4. Economic Risk: The Company's performance is impacted by global economic and geopolitical conditions. Economic downturns, such as those caused by Brexit in the UK, could lead to reduced technology purchases, slower sales, and increased competition. Nevertheless, based on current procedures and knowledge, these risks are not expected to have a material adverse impact on the Company's ability to operate effectively.

Financial key performance indicators

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

Revenue

During the fiscal year ending January 31, 2024, we recorded a 6% increase in revenue, rising from £33.1 million to £35.2 million. This growth was primarily driven by sales revenue, partially offset by a decrease in intercompany recharge.

Loss for the financial year

Despite the revenue increase, the company generated a net loss of £132k in January 2024 vs a profit after tax of £323k in January 2023. Decrease is primarily driven by a rise in administrative expenses from £30.8 million to £33.6 million, mostly for employee wages & salaries and office rent

Other key performance indicators

Headcount

The company headcounts remained stable, with an average number of employees of 197 for the year ending January 2024 (vs 196 last year).

This report was approved by the board and signed on its behalf.

A Gouachon
Director

Date: 5 December 2024

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2024

The directors present their report and the audited financial statements for the year ended 31 January 2024.

Directors' responsibilities statement

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

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the audited 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 audited financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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;
- prepare the audited 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 to enable them to ensure that the audited 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.

Principal activity

Content Square is the leader in experience analytics enabling brands to create enhanced digital experiences across websites, mobile phones and apps. The platform, created by the wider global Group, captures billions of mouse movements and mobile interactions to analyse user journeys, identify struggle, measure content performance (text, images, videos) and compare price impact and product relevancy. Content Square transforms this data into recommendations, enabling companies to prioritise their decisions and increase conversion and revenue.

Results and dividends

The loss for the year, after taxation, amounted to £131,512 *(2023 - profit £322,856).*

Directors

The directors who served during the year were:

J Cherki
N Fritz (resigned 11 October 2024)
A Gouachon

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

Future developments

The company has plans to continue to grow and expand.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are 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 the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

Under section 487(2) of the Companies Act 2006, BKL Audit LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

A Gouachon
Director

Date: 5 December 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONTENT SQUARE LTD

Opinion

We have audited the financial statements of Content Square Ltd (the 'Company') for the year ended 31 January 2024, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, 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 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 state of the Company's affairs as at 31 January 2024 and of its loss 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 Auditors' 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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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 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 set out on page 3, 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.

Auditors' 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 Auditors' 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:

- Enquiring of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing the general ledger in detail for all transactions with related parties;
- Performing walkthrough testing to ensure systems and controls are operating as recorded where appropriate

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 Auditors' 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.

David Landau FCA (Senior Statutory Auditor)

for and on behalf of
BKL Audit LLP

Chartered Accountants
Statutory Auditor

London

5 December 2024

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2024

	Note	2024 £	*2023 £*
Turnover	4	**35,196,978**	*33,122,116*
Gross profit		**35,196,978**	*33,122,116*
Selling and distribution costs		**(1,651,556)**	*(1,750,187)*
Administrative expenses		**(33,623,346)**	*(30,825,224)*
Other operating income	5	**-**	*75,102*
Operating (loss)/profit		**(77,924)**	*621,807*
Interest receivable and similar income	8	**-**	*79,342*
Interest payable and similar expenses	9	**(53,588)**	*-*
(Loss)/profit before tax		**(131,512)**	*701,149*
Tax on (loss)/profit	10	**-**	*(378,293)*
(Loss)/profit for the financial year		**(131,512)**	*322,856*
Other comprehensive income for the year			
Total comprehensive income for the year		**(131,512)**	*322,856*

The notes on pages 12 to 25 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2024

	Note		2024 £		*As restated 2023 £*
Fixed assets					
Intangible assets	11		**337,923**		*383,850*
Tangible assets	12		**250,834**		*364,730*
			588,757		*748,580*
Current assets					
Debtors: amounts falling due after more than one year	13	**237,320**		*395,200*	
Debtors: amounts falling due within one year	13	**13,616,237**		*7,095,594*	
Cash at bank and in hand	14	**4,143,603**		*5,143,357*	
		17,997,160		*12,634,151*	
Creditors: amounts falling due within one year	15	**(12,488,735)**		*(8,722,175)*	
Net current assets			**5,508,425**		*3,911,976*
Total assets less current liabilities			**6,097,182**		*4,660,556*
Creditors: amounts falling due after more than one year	16		**(47,376)**		*(223,818)*
Net assets			**6,049,806**		*4,436,738*
Capital and reserves					
Called up share capital	17		**1,000**		*1,000*
Capital contribution	18		**5,381,186**		*3,636,606*
Profit and loss account	18		**667,620**		*799,132*
			6,049,806		*4,436,738*

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A Gouachon
Director

Date: 5 December 2024

The notes on pages 12 to 25 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2024

	Called up share capital	Capital contribution	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2022 (as previously stated)	1,000	1,402,491	500,838	1,904,329
Prior year adjustment	-	24,562	(24,562)	-
At 1 February 2022 (as restated)	1,000	1,427,053	476,276	1,904,329
Comprehensive income for the year				
Profit for the year	-	-	322,856	322,856
Contributions by and distributions to owners				
Share based payment transactions	-	2,209,553	-	2,209,553
At 1 February 2023 (as previously stated)	1,000	3,612,044	823,694	4,436,738
Prior year adjustment	-	24,562	(24,562)	-
At 1 February 2023 (as restated)	1,000	3,636,606	799,132	4,436,738
Comprehensive income for the year				
Loss for the period	-	-	(131,512)	(131,512)
Contributions by and distributions to owners				
Share based payment transactions	-	1,744,580	-	1,744,580
At 31 January 2024	1,000	5,381,186	667,620	6,049,806

The notes on pages 12 to 25 form part of these financial statements.

1. General information

Content Square is the leader in experience analytics enabling brands to create enhanced digital experiences across websites, mobile phones and apps. The platform, created by the wider global Group, captures billions of mouse movements and mobile interactions to analyse user journeys, identify struggle, measure content performance (text, images, videos) and compare price impact and product relevancy. Content Square transforms this data into recommendations, enabling companies to prioritise their decisions and increase conversion and revenue.

The company is a private company limited by shares and is incorporated in England and Wales.

The Registered Office is 10 Devonshire Square, London, EC2M 4YP.

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 FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' ("FRS 102") and the requirements of the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Content Square SAS as at 31 January 2024.

2.3 Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue to trade for the foreseeable future, being a period of at least twelve months from the date of approval of these financial statements, and will be able to meet its debts as they fall due.

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Sterling.

Transactions and balances

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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.5 Revenue

The Company generates revenue through access rights to the Group's SaaS (Software As A Service) application platforms, including implementation and initial connection services (Starter Pack), continued access to the platforms, customer data hosting and platform maintenance and upgrades.

The Company recognises revenue based on separate performance obligations. Contracts for the use of SaaS platforms generally include a single overall performance obligation rendered continuously over the contract term. Revenue is therefore spread over the contract term. These contracts include set-up services, that do not constitute separate performance obligations as they are rendered to enable customers to use the SaaS platform.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Interest income

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

2. Accounting policies (continued)

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 accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the Statement of Comprehensive Income over the remaining vesting period.

2.10 Taxation

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 reporting date in the countries where the Company operates and generates income.

2. Accounting policies (continued)

2.11 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of Comprehensive Income over its useful economic life.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.12 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:

Fixtures and fittings	- straight line over 4 years
Office equipment	- straight line over 3 - 4 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.

2.13 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. Accounting policies (continued)

2.14 Financial instruments

The Company only enters into basic financial instruments and transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans to and from related parties and investments in non-puttable ordinary shares.

(i) Financial assets

Basic financial assets, including trade and other debtors, and amounts due from related companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade creditors, other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Judgements in applying accounting policies and key sources of estimation uncertainty The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Useful economic life of intangible assets

The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 11 for the carrying value of the goodwill and accounting policy 2.7 for the

useful economic life of the goodwill

4. Turnover

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

	2024	*2023*
	£	*£*
Sales revenue	**19,624,596**	*11,767,652*
Intercompany recharge	**15,572,382**	*21,354,464*
	35,196,978	*33,122,116*

5. Other operating income

	2024	*2023*
	£	*£*
Other operating income	**-**	*75,102*
	-	*75,102*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

6. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2024	2023
	£	£
Fees payable to the Company's auditors for the audit of the Company's financial statements	**30,000**	*27,500*

7. Employees

Staff costs were as follows:

	2024	2023
	£	£
Wages and salaries	**22,565,142**	*19,930,060*
Social security costs	**2,708,366**	*2,611,866*
Cost of defined contribution scheme	**763,985**	*659,569*
	26,037,493	*23,201,495*

The average monthly number of employees, including directors, during the year was 197 *(2023 - 196)*.

8. Interest receivable

	2024	2023
	£	£
Interest receivable	**-**	*79,342*
	-	*79,342*

9. Interest payable and similar expenses

	2024	2023
	£	£
Interest payable	**53,588**	*-*
	53,588	*-*

10. Taxation

	2024	2023
	£	£
Corporation tax		
Current tax on profits for the year	-	*378,293*
	-	*378,293*
Total current tax	-	*378,293*

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2023 - higher than)* the standard rate of corporation tax in the UK of 24% *(2023 - 19%)*. The differences are explained below:

	2024	2023
	£	£
(Loss)/profit on ordinary activities before tax	**(131,512)**	*701,149*
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2023 - 19%)	**(31,563)**	*133,218*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**620,060**	*421,453*
Capital allowances for the year	**(19,813)**	*(86,457)*
Amortisation of intangible assets	**11,483**	*8,170*
Other differences leading to an increase (decrease) in the tax charge	-	*11,266*
Group relief	**(580,167)**	*(109,357)*
Total tax charge for the year	-	*378,293*

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Intangible assets

	Goodwill
	£
Cost	
At 1 February 2023	**426,850**
At 31 January 2024	**426,850**
Amortisation	
At 1 February 2023	**43,000**
Charge for the year on owned assets	**45,927**
At 31 January 2024	**88,927**
Net book value	
At 31 January 2024	**337,923**
At 31 January 2023	*383,850*

The goodwill arose as a result of a hive up of the trade and assets from Clicktale (UK) Limited.

12. Tangible fixed assets

	Fixtures and fittings	Office equipment	Total
	£	£	£
Cost or valuation			
At 1 February 2023	**18,785**	**616,942**	**635,727**
Additions	**-**	**91,268**	**91,268**
Disposals	**(18,785)**	**(28,522)**	**(47,307)**
At 31 January 2024	**-**	**679,688**	**679,688**
Depreciation			
At 1 February 2023	**18,785**	**252,212**	**270,997**
Charge for the year on owned assets	**-**	**191,150**	**191,150**
Disposals	**(18,785)**	**(14,508)**	**(33,293)**
At 31 January 2024	**-**	**428,854**	**428,854**
Net book value			
At 31 January 2024	**-**	**250,834**	**250,834**
At 31 January 2023	*-*	*364,730*	*364,730*

13. Debtors

	2024 £	2023 £
Due after more than one year		
Other debtors	**237,320**	*395,200*
	237,320	*395,200*

	2024 £	2023 £
Due within one year		
Trade debtors	**6,770,347**	*4,122,245*
Amounts owed by group undertakings	**5,742,391**	*2,240,548*
Other debtors	**374,655**	*136,351*
Prepayments and accrued income	**728,844**	*596,450*
	13,616,237	*7,095,594*

Amounts owed by group undertakings are unsecured, interest-free, have no fixed repayment and are repayable on demand.

14. Cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	**4,143,603**	*5,143,357*
	4,143,603	*5,143,357*

15. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	89,724	220,839
Amounts owed to group undertakings	508,027	517,021
Corporation tax	378,293	643,375
Other taxation and social security	1,972,885	1,210,970
Other creditors	103,793	103,519
Accruals and deferred income	9,436,013	6,026,451
	12,488,735	8,722,175

Amounts owed to group undertakings are unsecured, interest-free, have no fixed repayment and are repayable on demand.

16. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Accruals and deferred income	47,376	223,818
	47,376	223,818

17. Share capital

	2024	2023
	£	£
Allotted, called up and fully paid		
1.000 *(2023 - 1,000)* Ordinary shares of £1.00 each	1,000	1,000

18. Reserves

Capital contribution

The capital contribution represents the valuation of share options granted to employees in the parent undertaking, Content Square SAS.

Profit and loss account

Includes all current period retained profits and losses.

19. Share-based payments

Certain employees were granted share options over Ordinary shares of the ultimate parent undertaking, Content Square SAS, a company incorporated in France, and FRS 102 Section 26 (share-based payments) is applicable. The charge is treated as an expense in this Company's financial statements as the relevant option holders are employees of this company.

	Weighted average exercise price (Euros) 2024	**Number 2024**	*Weighted average exercise price (Euros) 2023*	*Number 2023*
Outstanding at the beginning of the year	**6.68**	**6,393,181**	*6.65*	*5,577,691*
Granted during the year	**6.38**	**1,001,725**	*6.89*	*1,162,566*
Forfeited during the year	**5.01**	**(489,856)**	*6.89*	*(296,899)*
Exercised during the year	**2.43**	**(44,011)**	*6.89*	*(50,177)*
Transferred during the year	**4.27**	**(251,851)**		*-*
Outstanding at the end of the year	**3.20**	**6,609,188**	*6.68*	*6,393,181*

The Company is unable to directly measure the fair value of employee services received. Instead, the fair value charge of the share options was determined using a simplified Black-Scholes model with the following parameters:

	2024	*2023*
Option pricing model used	**Black- Scholes**	*Black- Scholes*
Weighted average share price €	**6.38**	*6.89*
Exercise price €	**6.38**	*6.89*
Weighted average contractual life (days)	**1461**	*1461*
Expected volatility %	**42%**	*42.46%*
Expected dividend growth rate	**0%**	*0%*
Risk-free interest rate	**2.8%**	*1.65%*

The total charge to the Statement of Comprehensive Income for the period was as follows:

	2024 £	*2023 £*
Equity-settled schemes	**1,744,582**	*2,209,553*
	1,744,582	*2,209,553*

19. Share-based payments (continued)

The charge is treated as an expense in the Statement of Comprehensive Income and as a Capital Contribution by the parent undertaking, Content Square SAS.

20. Prior year adjustment

The comparative information has been changed from the figures previously shown in the financial statements for the year ended 31 January 2023.

Opening retained reserves as at 1 February 2022 have decreased by £24,562 with a corresponding increase in the Capital contribution.

There has been no impact on net assets as previously reported as a result of this prior year adjustment.

21. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund amounted to £763,985 (2023: £659,569). Contributions totalling £101,534 (2023: £101,656) were payable to the fund at the reporting date and are included in creditors.

22. Commitments under operating leases

At 31 January 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024	*2023*
	£	*£*
Not later than 1 year	**1,984,553**	*2,010,970*
Later than 1 year and not later than 5 years	**527,953**	*2,228,973*
	2,512,506	*4,239,943*

23. Related party transactions

The company has taken advantage of the exemption conferred by Section 33.1A of Financial Reporting Standard 102: Related Party Disclosures, from the requirement to disclose transactions with other wholly-owned group undertakings.

24. Controlling party

The parent undertaking is Content Square SAS, a company incorporated in France which prepares consolidated accounts.

There is no ultimate controlling party.

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