

Registration number: 06919885

Accenture Marketing Services Ltd

Annual Report and Financial Statements

for the year ended 31 August 2023

WEDNESDAY



ACXTTIRL

A05

28/02/2024

#137

COMPANIES HOUSE

Accenture Marketing Services Ltd

Contents

Company information	1
Strategic Report	2 to 3
Directors' Report	4
Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and the Financial Statements	5
Independent Auditor's Report to the members of Accenture Marketing Services Ltd	6 to 8
Profit and Loss Account	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 to 19

Accenture Marketing Services Ltd

Company Information

Directors P Rowe (Resigned 23 February 2023)
D Simpson
D Burton (Resigned 1 December 2022)
G Newton
M Fernandes (Appointed 30 November 2022)

Company number 06919885

Registered office 30 Fenchurch Street
London
EC3M 3BD
United Kingdom

Banker Bank of America N.A.
2 King Edward Street
London
EC1A 1HQ

Solicitor Lewis Silkin LLP
5 Chancery Lane
Clifford's Inn
London
EC4A 1BL
DX 182 Chancery Lane

Auditor KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland
D02 DE03

The Directors present their Strategic Report of Accenture Marketing Services Ltd for the year ended 31 August 2023.

Principal activities

Accenture Marketing Services Ltd (the “Company”, “Accenture”, “we”, “our” and “us”) is a wholly owned subsidiary of Accenture Song Brand UK Limited, which is headed by Accenture plc (the “ultimate parent”) and its subsidiaries (the “Accenture Group”). The principal activity of the Company is the provision of creative and marketing services including production management, content production, adaptations, marketing activation and market engagement.

Business review and key performance indicators

The Company generated a profit after taxation for the year of £2,112,721 (2022: £1,652,385). The Company has net assets of £10,345,333 at 31 August 2023 (2022: £8,281,284). As part of their review of the business, the Directors have used key performance indicators to analyse the results for the year. Key financial highlights are as follows:

	2023	2022
Revenue growth %	25 %	623 %
Gross profit margin	8 %	6 %
Operating profit margin	6 %	6 %

The Directors have reviewed the above key performance indicators and have confirmed they are in line with expectations.

Research and innovation

The Company has access to and benefits from the extensive programme of research and innovation that are undertaken by affiliated companies within the Accenture Group. Research and innovation activities are disclosed in the Accenture plc Annual Report (<https://www.accenture.com/us-en/about/company/annual-report>).

Principal risks and uncertainties

The principal risks and uncertainties of the Company are intrinsically linked to those faced by the broader Accenture Group, which are disclosed in the Accenture plc Annual Report for the year ended 31 August 2023 at <https://www.accenture.com/us-en/about/company/annual-report>. The Accenture Group performance continues to be strong and there is not considered to be a significant risk to the Company’s continuing operations. There are a range of risks and uncertainties facing the Company and the list below is not intended to be exhaustive. The focus is on those specific risks and uncertainties that the Directors believe could have a significant impact on the Company’s position and performance.

Environmental, Social and Governance (ESG) risk commitments

Increasing focus on ESG matters has resulted in, and is expected to continue to result in, the adoption of legal and regulatory requirements designed to mitigate the effects of climate change on the environment, as well as legal and regulatory requirements requiring climate, human rights, and supply chain-related disclosures. If new laws or regulations are more stringent than current legal or regulatory requirements, we may experience increased compliance burdens and costs to meet such obligations. In addition, our selection of voluntary disclosure frameworks and standards, and the interpretation or application of those frameworks and standards, may change from time to time or may not meet the expectations of investors or other stakeholders. Our ability to achieve our ESG commitments is subject to numerous risks, many of which are outside of our control. Examples of such risks include:

- the availability and cost of low- or non-carbon-based energy sources and technologies;
- evolving regulatory requirements affecting ESG standards or disclosures;
- the availability of suppliers that can meet our sustainability, diversity, and other standards; and
- our ability to recruit, develop, and retain diverse talent.

Digital and cybersecurity risks

We are dependent on information technology networks and systems to securely process, transmit and store electronic information and to communicate with our people, clients, ecosystem partners and vendors. As the breadth and complexity of this infrastructure continues to grow, including as a result of the increasing reliance on, and use of, mobile technologies, social media and cloud-based services, as more of our employees continue to work remotely, and as cyberattacks become increasingly sophisticated (e.g. deepfakes and Artificial Intelligence (AI) generated social engineering), the risk of security incidents and cyberattacks has increased. Such incidents could lead to shutdowns or disruptions of or damage to our systems and those of our clients, ecosystem partners and vendors, and unauthorised disclosure of sensitive or confidential information, including personal data and proprietary business information.

Accenture Marketing Services Ltd

Strategic Report for the year ended 31 August 2023 (continued)

Principal risks and uncertainties (continued)

Other business risks

Global macroeconomic and geopolitical conditions affect us, our clients' businesses and the markets they serve. Volatile, negative and uncertain economic and political conditions have in the past undermined and could in the future undermine business confidence in our significant markets and other markets, which are increasingly interdependent, causing our clients to reduce or defer their spending on new initiatives and technologies, and resulting in clients reducing, delaying or eliminating spending under existing contracts with us, which negatively affects our business.

Ongoing economic and political volatility and uncertainty and changing demand patterns affect our business in a number of other ways, including making it more difficult to accurately forecast client demand and effectively build our revenue and resource plans, particularly in consulting. Economic and political volatility and uncertainty is particularly challenging because it may take some time for the effects and changes in demand patterns resulting from these and other factors to manifest themselves in our business and results of operations. Changing demand patterns from economic and political volatility and uncertainty, including as a result of increasing geopolitical tensions, inflation, economic downturns, changes in global trade policies, global health emergencies and their impact on us, our clients and the industries we serve, have in the past had a negative impact and could in the future have a significant negative impact on our results of operations.

Other operational risks

Health emergencies or pandemics, including COVID-19; acts of terrorist violence; political, social and civil unrest; regional and international war and other hostilities and international responses to these wars and hostilities; natural disasters, occurrences of which may increase in frequency and severity as a result of climate change; or the threat of or perceived potential for these events; and other acts of God could in the future have significantly negative impacts on us. These events could adversely affect our clients' levels of business activity and precipitate sudden and significant changes in regional and global economic conditions and cycles.

We are unable to protect our people, facilities, and systems, and those of our ecosystem partners, suppliers, and clients, against all such events. Our business continuity and disaster recovery plans may not be effective, particularly if catastrophic events occur where large numbers of our people are located, or simultaneously affect our people in multiple locations around the world. We generally do not have insurance for losses and interruptions caused by terrorist attacks, conflicts and wars. If these disruptions prevent us from effectively serving our clients, our results of operations could be significantly adversely affected.

Reliance on Accenture Group - exposure to credit, liquidity and cash flow risk

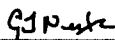
The Accenture Group operates a centralised treasury function which manages Accenture plc's overall Treasury policy, risk management and its liquidity requirements including those of the Company.

The Company's principal financial assets are trade and other receivables related to clients and intercompany activity. The Company has no external borrowings and the Accenture Group Treasury function manages the Company's foreign exchange exposure.

The Company's credit risk is primarily attributable to its receivables from fellow group companies. In the event of a default by a fellow group undertaking, the Directors would seek to re-negotiate the terms and conditions attaching to the loans from the intercompany entities. Availability of additional financing by recourse to inter-group funding as a primary source of borrowing is the most significant mitigating factor in terms of the Company's exposure to liquidity risk.

The Company is financed by operating cash flows. In the event of a customer default or cash flow deficit, the Company has access to funding from the Accenture Group.

Approved by the Board on 21 February 2024 and signed on its behalf by:



Gareth Newton (Feb 22, 2024 11:35 GMT)

G Newton

Director

Accenture Marketing Services Ltd

Directors' Report for the year ended 31 August 2023

The Directors present their report and the Financial Statements of Accenture Marketing Services Ltd for the year ended 31 August 2023.

Directors of the Company

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

P Rowe (Resigned 23 February 2023)

D Simpson

D Burton (Resigned 1 December 2022)

G Newton

M Fernandes (Appointed 30 November 2022)

Results and dividends

The results for the year are set out on page 9. No ordinary dividends were paid (2022: £Nil).

Going concern

The financial statements have been prepared on a going concern basis.

Future developments

The Company plans to continue its present activities.

Charitable and political contributions

During the year, the Company made charitable contributions of £Nil (2022: £Nil). The Company made no political contributions or incurred any political expenditure during the year (2022: £Nil).

Matters dealt with in the Strategic Report

The research and innovation and financial risk management and exposure to risks are discussed in the Strategic Report on pages 2-3.

Post balance sheet events

Since the year end, the Directors are not aware of any other matters or circumstances not otherwise dealt with in the financial statements, that has significantly or may significantly affect the operations of the Company.


Statement of disclosure of information to auditor

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

Reappointment of auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG, Chartered Accountants will therefore continue in office.

Approved by the Board on 21 February 2024 and signed on its behalf by:



Gareth Newton (Feb 22, 2024 11:35 GMT)

G Newton

Director

Accenture Marketing Services Ltd

Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and the Financial Statements for the Year Ended 31 August 2023

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

Company law requires the Directors to prepare financial statements for each year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102").

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

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

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

Approved by the Board on 21 February 2024 and signed on its behalf by:



Gareth Newton (Feb 22, 2024 11:35 GMT)

G Newton

Director



KPMG
Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

Independent Auditor's Report to the members of Accenture Marketing Services Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Accenture Marketing Services Ltd ('the Company') for the year ended 31 August 2023 set out on pages 9 to 19 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 August 2023 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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 the date 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.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the Directors. In addition, our risk assessment procedures included: inquiring with the Directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the Directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.



Independent Auditor's Report to the members of Accenture Marketing Services Ltd (continued)

Report on the audit of the financial statements (continued)

Detecting irregularities including fraud (continued)

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Strategic Report and the Directors' Report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the Directors' Report or the Strategic Report;
- in our opinion, the information given in the Directors' Report and the Strategic Report is consistent with the financial statements;
- in our opinion, the Directors' Report and the Strategic Report have been prepared in accordance with the Companies Act 2006.



Independent Auditor's Report to the members of Accenture Marketing Services Ltd (continued)

Report on the audit of the financial statements (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC's website at <https://www.frc.org.uk/auditorsresponsibilities>.

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

John Corrigan (Senior Statutory Auditor)

21 February 2024

For and on behalf of

KPMG, Statutory Auditor

1 Stokes Place

St. Stephen's Green

Dublin 2

Accenture Marketing Services Ltd

Profit and Loss Account for the year ended 31 August 2023

		2023	2022
	Note	£	£
Turnover	4	39,276,173	31,434,259
Cost of sales		(36,086,477)	(29,438,929)
Gross profit		3,189,696	1,995,330
Administrative expenses		(919,902)	(33,492)
Operating profit		2,269,794	1,961,838
Other interest receivable and similar income	6	437,251	79,481
Profit before tax		2,707,045	2,041,319
Tax on profit on ordinary activities	7	(594,324)	(388,934)
Profit for the year		2,112,721	1,652,385

The above results were derived from continuing operations.

There are no items of comprehensive income in the financial year or preceding financial year other than those dealt within the profit and loss account. Accordingly, no Statement of Comprehensive Income has been prepared.

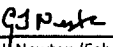
The notes on pages 12 to 19 form an integral part of these financial statements.

Accenture Marketing Services Ltd

Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Current assets			
Debtors	11	15,058,130	12,586,835
Creditors: amounts falling due within one year	12	<u>(4,668,874)</u>	<u>(4,305,551)</u>
Net current assets		<u>10,389,256</u>	<u>8,281,284</u>
Creditors: amounts falling due after more than one year	13	<u>(43,923)</u>	<u>—</u>
Net assets		<u><u>10,345,333</u></u>	<u><u>8,281,284</u></u>
Capital and reserves			
Called up share capital	15	100	100
Deemed distribution	15	(64,328)	(15,656)
Profit and loss account	15	<u>10,409,561</u>	<u>8,296,840</u>
Total equity		<u><u>10,345,333</u></u>	<u><u>8,281,284</u></u>

Approved by the Board on 21 February 2024 and signed on its behalf by:


 Gareth Newton (Feb 22, 2024 11:35 GMT)

 G Newton
 Director

Company Registration Number: 06919885

The notes on pages 12 to 19 form an integral part of these financial statements.

Accenture Marketing Services Ltd

Statement of Changes in Equity for the year ended 31 August 2023

	Called up share capital	Deemed distribution	Profit and loss account	Total equity
	£	£	£	£
Balance as at 1 September 2022	100	(15,656)	8,296,840	8,281,284
Profit for the year	—	—	2,112,721	2,112,721
Total comprehensive income	—	—	2,112,721	2,112,721
Transactions with owners, recorded directly in equity				
Share based payments	—	(48,672)	—	(48,672)
Total contributions by and distributions to owners	—	(48,672)	—	(48,672)
Balance at 31 August 2023	100	(64,328)	10,409,561	10,345,333

	Called up share capital	Deemed distribution	Profit and loss account	Total equity
	£	£	£	£
Balance as at 1 September 2021	100	—	6,644,455	6,644,555
Profit for the year	—	—	1,652,385	1,652,385
Total comprehensive income	—	—	1,652,385	1,652,385
Transactions with owners, recorded directly in equity				
Share based payments	—	(15,656)	—	(15,656)
Total contributions by and distributions to owners	—	(15,656)	—	(15,656)
Balance at 31 August 2022	100	(15,656)	8,296,840	8,281,284

The notes on pages 12 to 19 form an integral part of these financial statements.

Accenture Marketing Services Ltd

Notes to the Financial Statements for the year ended 31 August 2023

1 Company information

Accenture Marketing Services Ltd (formerly Nice Agency Limited) (the “Company”) is a private company limited by shares, incorporated, domiciled, and registered in England/Wales in the United Kingdom. The Company’s registered number is 06919885 and the registered address is 30 Fenchurch Street, London, EC3M 3BD.

The Company’s principal activities are disclosed in the Strategic Report.

2 Accounting policies

Summary of significant accounting policies

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

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (“FRS 102”) and the Companies Act 2006. There have been no material departures from the standards.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 3.

Summary of disclosure exemptions

The Company’s ultimate parent undertaking, Accenture plc includes the Company in its consolidated financial statements. The consolidated financial statements of Accenture plc are prepared in accordance with Generally Accepted Accounting Principles in the United States of America (US GAAP) and are available to the public and may be obtained from 1 Grand Canal Square, Grand Canal Harbour, Dublin 2.

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Section 7 ‘Statement of Cash Flows’ - Presentation of a Statement of Cash Flow
- Section 33 ‘Related Party Disclosures’ - Compensation for key management personnel

As the consolidated financial statements of Accenture plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of certain disclosures required by FRS 102.26 ‘Share Based Payments’.

Going concern

The financial statements have been prepared on a going concern basis.

Turnover

Turnover represents the total invoice value of professional services provided to other group companies within Europe.

Interest receivable

Interest receivables include intercompany interest income on group company advances. The interest receivable is recognised as earned.

Foreign currency transactions and balances

Transactions in foreign currencies are translated to the Company’s functional currency at the foreign exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. All exchange differences are included in the profit and loss account.

Accenture Marketing Services Ltd

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

2 Accounting policies (continued)

Taxation

The tax expense represents the sum of the current and deferred tax recognised in the year.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

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 profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

2 Accounting policies (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors 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. Financial liabilities classified as payable within one year are not amortised.

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 due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

Offsetting of financial instruments

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.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the work in progress or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Defined contribution retirement benefit plan

All eligible employees of the Company can participate in a defined contribution retirement benefit plan. All eligible employees are entitled to membership on standard rates of contribution. The assets of the plan are held separately from those of the Company in an independently administered fund. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Share based payments

The Company operates a share based payment plan. The share based payment expense is recognised in the profit and loss account over the requisite service period for awards of equity instruments to employees based on the grant date fair value of those awards expected to ultimately vest. There are no service conditions attached to these share based payments. Forfeitures are estimated on the date of grant and revised if actual or expected forfeiture activity differs materially from original estimates.

Under an agreement with the Company's ultimate parent, Accenture plc, the Company is recharged an amount equal to the value of the ordinary shares issued. The recharge for awards exercised during the year is established based on known facts, while an estimate of the fair value relating to the recharge of unexercised awards is made at each year end date. Any excess of the recharge from Accenture plc over the share based payment expense accrued is recorded as a deemed distribution. Any excess of the share based payment expense accrued over the recharge from Accenture plc is recorded as a capital contribution.

An accrual is established at the year end date for the outstanding Restricted Stock Units (RSUs) with the Company's ultimate parent company, Accenture plc. The amount is disclosed within one year and after more than one year in long term incentive liability in Note 12.

Accenture Marketing Services Ltd

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

3 Judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There were no estimates, judgments and assumptions considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Turnover

The analysis of the Company's turnover is as follows:

	2023	2022
	£	£
Rendering of services	<u>39,276,173</u>	<u>31,434,259</u>

The total turnover of the Company was derived entirely from its principal activity which is considered to be the sole class of business, wholly undertaken within Europe.

5 Operating profit

Operating profit for the year is stated after crediting:

	2023	2022
	£	£
Foreign exchange gains	<u>(8,481)</u>	<u>(1,731)</u>

6 Other interest receivable and similar income

	2023	2022
	£	£
Intercompany interest	<u>437,251</u>	<u>79,481</u>

7 Taxation

Tax charged in the profit and loss account is as follows:

	Note	2023	2022
		£	£
Current taxation			
Corporation tax charge		608,839	388,926
Foreign tax			
Current tax on income for the year		<u>1,097</u>	<u>8</u>
Total current tax		<u>609,936</u>	<u>388,934</u>
Deferred tax:			
Arising from origination and reversal of timing differences	13	<u>(15,612)</u>	<u>—</u>
Total tax expense in the profit and loss account		<u>594,324</u>	<u>388,934</u>

Accenture Marketing Services Ltd

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

7 Taxation (continued)

Factors affecting the tax charge for the years

The corporation tax charge for the year differs to the charge that would result from applying the applicable corporate tax rates to the profit on ordinary activities. The differences are outlined below:

	2023	2022
	£	£
Profit before tax	<u>2,707,045</u>	<u>2,041,319</u>
Corporation tax at standard rate 21.5% (2022: 19%)	582,015	387,851
<i>Increase from effects of:</i>		
Expenses not deductible in determining taxable profit	13,069	1,075
Share based payments	329	—
Effects of change in tax rates	(2,186)	—
Foreign withholding tax	<u>1,097</u>	<u>8</u>
Total tax charge	<u>594,324</u>	<u>388,934</u>

8 Auditor's remuneration

The auditor's remuneration is borne by Accenture Song Brand UK Limited without recourse to the Company.

9 Employees

The aggregate payroll costs were as follows:

	Note	2023	2022
		£	£
Wages and salaries		14,924,371	16,189,769
Social security costs		1,850,257	2,038,030
Pension costs	14	1,259,601	832,485
Share based compensation	16	87,173	10,559
Other employee benefits		<u>490,605</u>	<u>405,837</u>
		<u>18,612,007</u>	<u>19,476,680</u>

The average number of persons employed by the Company during the year was as follows:

	2023	2022
	No.	No.
Management	67	63
Employees	<u>192</u>	<u>232</u>
	<u>259</u>	<u>295</u>

10 Directors' remuneration

No emoluments were paid during the year to the Directors of Accenture Marketing Services Ltd. The Directors are employees of fellow group undertakings and are remunerated for their services to the subsidiary undertakings registered in the UK as a whole.

Accenture Marketing Services Ltd

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

11 Debtors

	Note	2023	2022
		£	£
Amounts falling due within one year			
Amounts due from fellow group undertakings		15,040,052	12,545,950
Other debtors		2,281	40,885
Prepayments and accrued income		185	—
Deferred tax asset	13	15,612	—
		<u>15,058,130</u>	<u>12,586,835</u>

Amounts due from fellow group undertakings earn interest at various rates and are repayable on demand.

12 Creditors

	2023	2022
	£	£
Due within one year		
Trade creditors	791,440	292,977
Amounts owed to group undertakings	158,378	4,870
Corporation tax liability	608,839	388,926
Other taxation and social security	733,141	723,770
VAT liability	998,981	1,146,936
Other creditors	7,297	2,620
Accruals	1,336,725	1,719,240
Long-term incentive liability - current portion	34,073	26,212
	<u>4,668,874</u>	<u>4,305,551</u>

The amounts owed to group undertakings are interest bearing and repayable on demand.

	2023	2022
	£	£
Creditors: amounts falling due after more than one year		
Long-term incentive liability	<u>43,923</u>	<u>—</u>

13 Deferred tax

The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2023	2022
	£	£
At beginning of year	—	—
Deferred tax credited to the profit and loss account	13,426	—
Deferred tax - effects of change in tax rates	<u>2,186</u>	<u>—</u>
At end of year	<u>15,612</u>	<u>—</u>

	2023	2022
	£	£
Share based payment liability	<u>15,612</u>	<u>—</u>

Accenture Marketing Services Ltd

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

14 Retirement benefit scheme

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £1,259,601 (2022 : £832,485). The balance unpaid as at 31 August 2023 was £Nil (2022: £NIL).

15 Share capital

Allotted, called up and fully paid shares

	2023	2022
	£	£
95 Class A Ordinary Shares of 100p each	95	95
5 Class B Ordinary Shares of 100p each	5	5
	<u>100</u>	<u>100</u>

Reserve	Description and purpose
Share capital	Nominal value of share capital subscribed for. All shares have equal rights and rank pari passu in all respects.
Deemed distribution	Any excess of the share based payment expense over the recharge from Accenture plc is recorded in this reserve.
Profit and loss account	All other net gains and losses and transactions with owners not recognised elsewhere.

16 Share based payments

Accenture Stock-settled Restricted Stock Unit Plan

The Company participates in one RSU plan operated by the Company's ultimate parent undertaking for employees and executives of group companies, including the Company. Under these plans, participants may be granted restricted stock units, each of which represents an unfunded, unsecured right, which is non-transferable except in the event of death of the participant, to receive an Accenture plc Class A ordinary share on the date specified in the participant's award agreement. RSUs lapse on the date of cessation of the participant as an employee of an Accenture plc group company. The restricted share units granted under these plans are subject to cliff or graded vesting conditions, generally ranging from two to seven years. For awards with graded vesting conditions, the compensation expense is recognised over the vesting term of each separate vesting portion. The compensation expense is recognised on a straight-line basis for awards with cliff vesting conditions. Due to the similarity of the plans, they have been valued and modelled as one plan. All RSUs are settled by physical delivery of Accenture plc Class A shares.

The outstanding liability of Restricted Share Units at the balance sheet date are valued using the group's treasury stock price on a FIFO basis. For RSUs that were delivered during the year, the weighted average share price at the date of exercise was \$329 (2022: \$NIL). The RSUs outstanding at 31 August 2023 have a weighted average remaining vesting period of 2.34 years. The value of services received in return for the RSUs granted is based on the fair value of the RSUs granted, measured using the fair market value of the share.

The charge for the financial year was £63,973 (2022: credit of £6,673).

Employee Share Purchase Plan (ESPP)

The Company participates in an Employee Share Purchase Plan (ESPP) operated by the ultimate parent undertaking, Accenture plc. The ESPP is a non-qualified plan that provides eligible employees an opportunity to purchase Accenture plc Class A ordinary shares through payroll deductions. The terms of the plan allow participants to purchase a defined number of shares (subject to certain restrictions) at a discount on market price. The discount shall not be more than 15% of the fair market value of the shares. The expense recognised by the Company in respect of the ESPP represents the discount on market price received by participants in the year.

The charge for the financial year was £23,200 (2022: £17,233).

Accenture Marketing Services Ltd

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

17 Commitments

The Company had no capital or financial commitments at the year end date (2022: £Nil).

18 Contingent liabilities

At 31 August 2023 the Company had no contingent liabilities (2022: £Nil).

19 Parent and ultimate parent undertaking

The Company's immediate parent is Accenture Song Brand UK Limited, which is wholly owned subsidiary of Accenture (UK) Limited.

The Company's ultimate parent is Accenture plc, a company incorporated in the Republic of Ireland, but which is also designated as a domestic registrant of the Securities and Exchange Commission in the United States (SEC). As a consequence, Accenture plc files consolidated financial statements with the Companies Registration Office in Ireland (Irish filing) and with the SEC (SEC filing). The Irish filing, which avails of a special derogation under the Companies Act 2014, is prepared under US Generally Accepted Accounting Principles (US GAAP) and the Irish Companies Act 2014 can be obtained from the Company Secretary, 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland. The SEC filing is prepared in accordance with US GAAP and regulations of the SEC and is available from www.sec.gov or from Accenture web site (www.investor.accenture.com). Accenture plc prepares group financial statements and is the largest group for which group financial statements are drawn up and of which the Company is a member.

20 Related party transactions

The Company has taken advantage of the exemption provided by Section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

21 Post balance sheet events

Since the year end, the Directors are not aware of any other matters or circumstances not otherwise dealt with in the financial statements, that has significantly or may significantly affect the operations of the Company.