

# Financial Statements

## Code Institute Limited

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For the financial year ended 31 December 2024

## Company Information

**Directors**

Cyril McGuire  
Gerard Goold  
Jim Cassidy  
Brendan Nevin  
Anthony Quigley

**Company secretary**

Anthony Quigley

**Registered number**

549742

**Registered office**

Block 1, Blackrock Business Park  
Blackrock  
Dublin

**Independent auditor**

Grant Thornton  
Chartered Accountants &  
Statutory Audit Firm  
13-18 City Quay  
Dublin 2

**Bankers**

Bank of Ireland  
Dun Laoghaire  
Dublin

**Solicitors**

Mason, Hayes and Curran  
South Bank House  
Barrow Street  
Dublin 4

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# Directors' report

For the financial year ended 31 December 2024

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

## Principal activities and business review

The principal activity of the Company is to develop professional and graduate diploma courses and to deliver them online, resulting in certification on successful completion of the course.

The Company recorded a turnover of €11,617,499 in the 2024 Financial year (2023: €12,213,126.) as the Company continues to transition its business model from B2C towards B2B/Enterprise clients and B2G/Government agencies. The directors and management remains committed to advancing growth in these sectors. In particular, the Company is actively pursuing further opportunities, including strategic partnerships with governmental agencies and other organisations. As the company invested in new Data Products and growth, it delivered a net profit of €414,477 (2023: €1,168,944). The directors remain satisfied with the Company's overall performance during the year.

## Results and dividends

The profit for the financial year, after taxation, amounted to €414,477 (2023: €1,168,944).

The directors have not recommended a dividend during the financial year (2023: €Nil).

## Directors and their interests

In accordance with Section 329 of the Companies Act 2014, the directors' shareholdings and the movements therein during the financial year ended 31 December 2024 were as follows:

	Ordinary shares of 0.1c each		Ordinary C shares of 0.1c each		A Preferred Ordinary shares of 0.1c each	
	31/12/24	1/1/24	31/12/24	1/1/24	31/12/24	1/1/24
Cyril McGuire	-	-	-	-	-	-
Gerard Goold	-	-	-	-	-	-
Jim Cassidy	-	-	20,750	20,750	1,615	1,041
Brendan Nevin	74,000	74,000	-	-	8,677	6,557
Anthony Quigley	126,000	126,000	-	-	14,773	11,163
	<b>200,000</b>	200,000	<b>20,750</b>	20,750	<b>25,065</b>	18,761

## Going concern

The directors have considered the financial performance of the Company, market changes and the advancement of technology, particularly AI, in assessing the appropriateness of preparing the financial statements on a going concern basis. During 2025, the shareholders provided additional cash injections amounting to €2,344,985 through subscriptions for new shares, enabling the Company to continue meeting its operational and financial commitments. Alongside this financial support, the directors and management have continued to advance the business development strategy by expanding the sales pipeline and entering into several contracts and agreements with governmental bodies and other Enterprise organisations, securing contracted revenue for the financial year 2026 and future periods. The directors and management have also implemented various cost reduction measures throughout 2025 to improve operational efficiency and reinforce cash preservation efforts.

# Directors' report (continued)

For the financial year ended 31 December 2024

## **Going concern (continued)**

The shareholders have committed to continued support for the company, and the directors are also satisfied that the company has the continued support of its external financiers. The business forecast shows a positive revenue pipeline, with efficiency and Digital transformation measures implemented. The directors are satisfied that the Company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

## **Principal risks and uncertainties**

### **Economic risk**

The risk of increased interest rates and/or inflation having an adverse impact on affordability for the course, which in turn could impact the competitiveness of the Company. This is a smaller portion of the business and these risks are managed by flexibility on course price and cost controls within the Company.

### **Finance risk**

The Company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk.

### **Legislative risk**

Regular internal and external audits ensure compliance is maintained.

### **Market risk**

The Company is exposed to fluctuations in economic conditions and the corresponding demand for its services. As the business continues to transition toward B2B and B2G clients, any reduction in organisational or governmental training budgets may have a direct impact on revenue. Management actively monitors market developments and is committed to expanding strategic partnerships and strengthening the sales pipeline to mitigate this risk.

## **Post balance sheet events**

There have been no material events affecting the Company since the end of the financial year.

## **Research and development activities**

In 2024, the Company has spent and capitalised €1,392,408 (2023: €1,026,756) for its research and developments activities.

## **Political contributions**

The Group has no political contributions for the current or prior financial year.

## **Accounting records**

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the company's registered office at Block 1, Blackrock Business Park, Blackrock, Dublin.

# Directors' report (continued)

For the financial year ended 31 December 2024

## Statement on relevant audit information

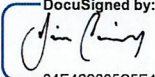
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

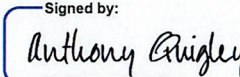
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor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

## Auditor

The auditor, Grant Thornton, continues in office in accordance with section 383(2) of the Companies Act 2014.

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

DocuSigned by:  
  
84E422805C5E452...  
**Jim Cassidy**  
Director

Signed by:  
  
FC5A975810FC4A5...  
**Anthony Quigley**  
Director

Date: 27/1/2026

## Directors' responsibilities statement

For the financial year ended 31 December 2024

The directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Generally Accepted Accounting Principles in Ireland including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

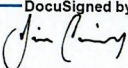
Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

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

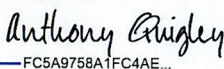
- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

On behalf of the board

DocuSigned by:  
  
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**Jim Cassidy**  
Director

Signed by:  
  
FC5A9758A1FC4AE...

**Anthony Quigley**  
Director

Date: 27/1/2026

# Independent auditor's report to the members of Code Institute Limited

## Opinion

We have audited the financial statements of Code Institute Limited (the 'Company') which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity for the financial year ended 31 December 2024, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (Generally Accepted Accounting Practice in Ireland) (the "relevant accounting framework").

In our opinion, Code Institute Limited's financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024 and of its profit or loss and cash flows for the financial year then ended;
- have been properly prepared in accordance with the relevant accounting framework; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 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.

# Independent auditor's report to the members of Code Institute Limited (continued)

## **Other information**

The directors are responsible for the other information. Other information comprises information included in the annual report, other than the financial statements and our auditor's report thereon, including the Directors' 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the matters prescribed by the Companies Act 2014**

We have obtained all the information and explanations which to the best of our knowledge and belief, we considered necessary for the purposes of our audit.

In our opinion:

- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.

The Statement of financial position and the Statement of comprehensive income are in agreement with the accounting records and returns.

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

- the information given in the Directors' report for the financial year is consistent with the financial statements;
- the Directors' report has been prepared in accordance with applicable legal requirements, excluding the requirements on sustainability reporting in Part 28.

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report.

## **Matters on which we are required to report by exception**

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of sections 305 to 312 of the Act, which relate to the disclosure of directors' remuneration and transactions with Directors have not been complied with by the Company. We have nothing to report in this regard.



# Independent auditor's report to the members of Code Institute Limited (continued)

## **Responsibilities of management and those charged with governance for the financial statements**

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process and for the preparation of financial statements that give a true and fair view.

## **Auditor's responsibilities for the audit of the financial statements**

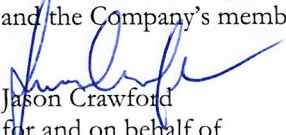
The objectives of an auditor are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf). This description forms part of our auditor's report.

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

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.

  
Jason Crawford  
for and on behalf of

**Grant Thornton**  
Chartered Accountants  
& Statutory Audit Firm  
13-18 City Quay  
Dublin 2

Date: 27/1/26

# Statement of comprehensive income

For the financial year ended 31 December 2024

	Note	2024 €	2023 €
Turnover	4	11,617,499	12,213,126
Cost of sales		(2,763,330)	(2,662,119)
<b>Gross profit</b>		<b>8,854,169</b>	9,551,007
Administrative expenses		(8,397,887)	(8,328,946)
<b>Operating profit</b>	5	<b>456,282</b>	1,222,061
Interest payable and similar charges	8	(48,275)	(53,117)
<b>Profit before taxation</b>		<b>408,007</b>	1,168,944
Tax on profit	9	6,470	-
<b>Profit for the financial year</b>		<b>414,477</b>	1,168,944

All amounts relate to continuing operations.

There was no other comprehensive income for 2024 (2023: €Nil).

The notes on pages 13 to 28 form part of these financial statements.

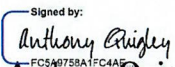
## Statement of financial position

As at 31 December 2024

	Note	2024 €	2023 €
<b>Fixed assets</b>			
Intangible assets	10	2,747,099	2,249,815
Tangible assets	11	74,140	77,844
Financial assets	12	109	109
		<u>2,821,348</u>	<u>2,327,768</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	13	45,414	36,886
Debtors: amounts falling due within one year	13	3,033,503	5,605,461
Cash at bank	14	267,416	646,134
		<u>3,346,333</u>	<u>6,288,481</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	(4,890,441)	(8,485,349)
		<u>(1,544,108)</u>	<u>(2,196,868)</u>
<b>Net current liabilities</b>			
		<u>1,277,240</u>	<u>130,900</u>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	16	(383,333)	(51,443)
		<u>893,907</u>	<u>79,457</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital presented as equity	18	312	303
Share premium account	19	2,904,903	2,504,939
Profit and loss account	19	(2,011,308)	(2,425,785)
		<u>893,907</u>	<u>79,457</u>
<b>Shareholders' funds</b>			

The financial statements were approved and authorised for issue by the board:

DocuSigned by:  
  
 24E422905C5E452  
**Jim Cassidy**  
 Director

Signed by:  
  
 FCS4B75BA1FC4A1  
**Anthony Quigley**  
 Director

Date: 27/1/2026

The notes on pages 13 to 28 form part of these financial statements.

## Statement of changes in equity

For the financial year ended 31 December 2024

	Called up share capital	Share premium account	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2024	303	2,504,939	(2,425,785)	79,457
<b>Comprehensive income for the financial year</b>				
Profit for the financial year	-	-	414,477	414,477
Shares issued during the financial year	9	399,964	-	399,973
<b>At 31 December 2024</b>	<b>312</b>	<b>2,904,903</b>	<b>(2,011,308)</b>	<b>893,907</b>

## Statement of changes in equity

For the financial year ended 31 December 2023

	Called up share capital	Share premium account	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2023	303	2,504,939	(3,594,729)	(1,089,487)
<b>Comprehensive income for the financial year</b>				
Profit for the financial year	-	-	1,168,944	1,168,944
<b>At 31 December 2023</b>	<b>303</b>	<b>2,504,939</b>	<b>(2,425,785)</b>	<b>79,457</b>

The notes on pages 13 to 28 form part of these financial statements.

## Statement of cash flows

For the financial year ended 31 December 2024

	2024 €	2023 €
<b>Cash flows from operating activities</b>		
Profit for the financial year	414,477	1,168,944
<b>Adjustments for:</b>		
Amortisation of intangible assets	895,124	557,415
Depreciation of tangible assets	44,040	48,255
Finance expense	48,275	53,117
Bad debt expense	337,684	282,690
Decrease/(increase) in debtors	2,225,746	(1,468,325)
(Decrease)/increase in creditors	(3,613,404)	560,220
<b>Net cash generated from operating activities</b>	<u>351,942</u>	<u>1,202,316</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(40,336)	(64,536)
Additions to intangible assets	(1,392,408)	(1,026,756)
<b>Net cash used in investing activities</b>	<u>(1,432,744)</u>	<u>(1,091,292)</u>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	399,973	-
Loan drawdown during the year	500,000	-
Repayment of loans	(149,614)	(134,794)
Interest paid	(48,275)	(53,117)
<b>Net cash from/(used in) financing activities</b>	<u>702,084</u>	<u>(187,911)</u>
<b>Net (decrease) in cash and cash equivalents</b>	<u>(378,718)</u>	<u>(76,887)</u>
Cash at beginning of financial year	646,134	723,021
<b>Cash at the end of financial year</b>	<u><u>267,416</u></u>	<u><u>646,134</u></u>
<b>Cash and cash equivalents at the end of financial year comprise:</b>		
Cash at bank	<u><u>267,416</u></u>	<u><u>646,134</u></u>

The notes on pages 13 to 28 form part of these financial statements.

## Analysis of Net Debt

For the financial year ended 31 December 2024

	At 1 January 2024 €	Movement €	At 31 December 2024 €
Cash at bank	646,134	(378,718)	267,416
Debt due after 1 year	(51,443)	(331,890)	(383,333)
Debt due within 1 year	(138,691)	(18,496)	(157,187)
Other loans due within 1 year	(736,867)	-	(736,867)
	<u>(280,867)</u>	<u>(729,104)</u>	<u>(1,009,971)</u>

The notes on pages 13 to 28 form part of these financial statements.

# Notes to the financial statements

For the financial year ended 31 December 2024

## **1. General information**

Code Institute Limited (the “Company”) is a private company limited by shares and is incorporated in the Republic of Ireland and registered under the number 549742. The Company’s registered office is Block 1, Blackrock Business Park, Blackrock, Dublin.

The principal activity of the Company is to develop professional and graduate diploma courses and to deliver them online, resulting certification on successful completion of the course.

## **2. Accounting policies**

### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The company is entitled to the exemption provided for in section 293 of the Companies Act 2014 from the obligation to prepare group accounts because the consolidated accounts are classified as small group.

The financial statements are presented in Euro (€).

The following principal accounting policies have been applied:

### **2.2 Going concern**

The directors have considered the financial performance of the Company, market changes and the advancement of technology, particularly AI, in assessing the appropriateness of preparing the financial statements on a going concern basis. During 2025, the shareholders provided additional cash injections amounting to €2,344,985 through subscriptions for new shares, enabling the Company to continue meeting its operational and financial commitments. Alongside this financial support, management has continued to advance its business development strategy by expanding the sales pipeline and entering into several contracts and agreements with governmental bodies and other Enterprise organisations, securing contracted revenue for the financial year 2026 and future periods. Management has also implemented various cost reduction measures throughout 2025 to improve operational efficiency and reinforce cash preservation efforts.

The shareholders have demonstrated continued support for the company, and the business forecast shows a positive revenue pipeline, with efficiency and Digital transformation measures implemented. The directors are satisfied that the Company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

# Notes to the financial statements

For the financial year ended 31 December 2024

## 2. Accounting policies (continued)

### 2.3 Foreign currency translation

#### Functional and presentation currency

The Company's functional and presentational currency is Euros.

#### 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 profit or loss 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 profit or loss within 'other operating income'.

### 2.4 Revenue

Turnover is measured at the fair value of the consideration received and receivable. It represents income generated from delivering online vocational education to learners so that they can further their careers in software development. The Company provides access and related course instruction for a specified period of time. Revenue is recognised on a straight line basis over the period of instruction, typically twelve months.

Deferred revenue is recognised for cash received in advance of the service provided and is measured at fair value.

### 2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### 2.6 Pensions

The contributions to employee pension fund are recognised as an expense in profit or loss 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.

# Notes to the financial statements

For the financial year ended 31 December 2024

## 2. Accounting policies (continued)

### 2.7 Taxation

The tax expense for the financial year comprises current and deferred tax. Tax is recognised in profit or loss 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.

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

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

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

### 2.8 Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

The technical feasibility of completing the software so that it will be available for use or sale.

- The intention to complete the software and use or sell it.
- The ability to use the software or to sell it.
- How the software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

# Notes to the financial statements

For the financial year ended 31 December 2024

## 2. Accounting policies (continued)

### 2.8 Intangible assets (continued)

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

- Software development costs - 3-5 years

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence expenditure on projects not yet in the development stage shall be recognised as an expense when it is incurred.

### 2.9 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	-	20%
Office equipment	-	20%
Computer equipment	-	33%

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 profit or loss.

### 2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.11 Debtors

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

# Notes to the financial statements

For the financial year ended 31 December 2024

## 2. Accounting policies (continued)

### 2.12 Cash at bank

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

### 2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.14 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

# Notes to the financial statements

For the financial year ended 31 December 2024

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

Preparation of the financial statements requires management to make significant judgments and estimates. Judgments and estimates 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. Actual results may ultimately differ from these estimates.

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements:

#### Impairment of debtors

The directors make an assessment at the end of each financial year of whether there is objective evidence that a trade debtor is impaired. When assessing impairment of trade debtors, the directors consider factors including the age profile of outstanding invoices, recent correspondence and historical experience of cash collections from the debtor.

#### Internally generated intangible assets

The Company made an assessment during the financial year as to the demonstration of technical feasibility of the internally generated intangible assets required for development costs to be capitalised. In making the assessment, the Company also considered the availability of adequate technical, financial and other resources to complete the assets and its intention to use the assets to generate probably future economic benefits.

#### Estimating useful lives of intangible assets

The Company estimates the useful lives of intangible assets based on the period over which the assets are expected to be available for use. The estimated useful lives of tangible assets are reviewed periodically and are updated if expectations differ from previous estimates due to technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of intangible assets is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. Actual results, however, may vary due to changes in estimates brought about by changes in factors earlier mentioned.

### 4. Turnover

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

	2024 €	2023 €
Online professional training	<u>11,617,499</u>	<u>12,213,126</u>

Analysis of turnover by country of destination:

	2024 €	2023 €
Republic of Ireland	9,159,481	6,899,420
United Kingdom	783,233	1,777,684
Rest of the world	1,674,785	3,536,022
	<u>11,617,499</u>	<u>12,213,126</u>

## Notes to the financial statements

For the financial year ended 31 December 2024

**5. Operating profit**

The operating profit is stated after charging:

	2024	2023
	€	€
Depreciation of tangible fixed assets	44,040	48,255
Bad debt expenses	337,684	282,690
Amortisation of intangible assets	895,124	557,415
Difference on foreign exchange	39,189	79,200
Defined contribution pension cost	28,859	29,170
	<u>4,588,295</u>	<u>5,203,991</u>

**6. Employees**

Staff costs, including directors' remuneration, were as follows:

	2024	2023
	€	€
Wages and salaries	4,168,315	4,777,962
Social insurance costs	391,121	396,859
Cost of defined contribution scheme	28,859	29,170
	<u>4,588,295</u>	<u>5,203,991</u>

The average monthly number of employees, including directors, during the financial year was 100 (2023 - 87)

The average monthly number of employees, including the directors, during the financial year was as follows:

	2024	2023
	No.	No.
Administration	9	7
Operations	91	80
	<u>100</u>	<u>87</u>

**7. Directors' remuneration**

	2024	2023
	€	€
Directors' emoluments	<u>239,333</u>	<u>230,740</u>

## Notes to the financial statements

For the financial year ended 31 December 2024

**8. Interest payable and similar expenses**

	2024 €	2023 €
Other loan interest payable	48,275	53,117

**9. Taxation**

	2024 €	2023 €
<b>Corporation tax</b>		
Current tax on profits for the financial year	-	-
Prior period tax	(6,470)	-
<b>Taxation on profit on ordinary activities</b>	<b>(6,470)</b>	<b>-</b>

**Factors affecting tax charge for the financial year**

The tax assessed for the financial year is lower than (2023 - lower than) the standard rate of corporation tax in Ireland of 12.5% (2023 - 12.5%). The differences are explained below:

	2024 €	2023 €
Profit on ordinary activities before tax	408,007	1,168,944
Profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2023 - 12.5%)	51,001	146,118
<b>Effects of:</b>		
Depreciation in excess of capital allowance	6,411	13,056
Tax losses utilised	(48,413)	(148,527)
Adjustments to tax charge in respect of prior periods	(6,470)	-
Disallowable interest expense	5,113	-
Research and development tax credits	(14,112)	(10,647)
<b>Total tax charge for the financial year</b>	<b>(6,470)</b>	<b>-</b>

**Factors that may affect future tax charges**

A deferred tax asset has not been recognised in respect of trading losses amounting to €23,984 (2023: €80,241) as there is uncertainty as to when sufficient profits might be available against which these losses could be utilised.

# Notes to the financial statements

For the financial year ended 31 December 2024

## 10. Intangible assets

	Development expenditure €
<b>Cost</b>	
At 1 January 2024	3,086,459
Additions	1,392,408
At 31 December 2024	<u>4,478,867</u>
<b>Amortisation</b>	
At 1 January 2024	836,644
Charge for the financial year	895,124
At 31 December 2024	<u>1,731,768</u>
<b>Net book value</b>	
At 31 December 2024	<u><u>2,747,099</u></u>
At 31 December 2023	<u><u>2,249,815</u></u>

Intangible assets pertain to accumulated development expenditures associated with specific online learning tools and online courses internally generated by the Company which are fully completed or still in development.

## Notes to the financial statements

For the financial year ended 31 December 2024

**11. Tangible fixed assets**

	Fixtures and fittings €	Office equipment €	Computer equipment €	Total €
<b>Cost or valuation</b>				
At 1 January 2024	5,337	57,634	209,738	272,709
Additions	-	-	40,336	40,336
At 31 December 2024	<u>5,337</u>	<u>57,634</u>	<u>250,074</u>	<u>313,045</u>
<b>Depreciation</b>				
At 1 January 2024	4,151	43,625	147,089	194,865
Charge for the financial year	387	5,548	38,105	44,040
At 31 December 2024	<u>4,538</u>	<u>49,173</u>	<u>185,194</u>	<u>238,905</u>
<b>Net book value</b>				
At 31 December 2024	<u><u>799</u></u>	<u><u>8,461</u></u>	<u><u>64,880</u></u>	<u><u>74,140</u></u>
At 31 December 2023	<u><u>1,186</u></u>	<u><u>14,009</u></u>	<u><u>62,649</u></u>	<u><u>77,844</u></u>

## Notes to the financial statements

For the financial year ended 31 December 2024

**12. Financial assets**

	Investments in subsidiary company €
<b>Cost or valuation</b>	
At 1 January 2024	109
At 31 December 2024	<u>109</u>
<b>Net book value</b>	
At 31 December 2024	<u>109</u>
At 31 December 2023	<u>109</u>
<b>Subsidiary undertaking</b>	

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Code Institute Limited	483 Green Lanes, London, N13 4BS, England	Develop professional and graduate diploma courses	Ordinary	100%

**13. Debtors**

	2024 €	2023 €
<b>Due after more than one year</b>		
Tax recoverable (non-current)	<u>45,414</u>	<u>36,886</u>
	2024 €	2023 €
<b>Due within one year</b>		
Trade debtors	2,799,251	5,238,921
Prepayments	121,353	152,818
Tax recoverable	112,899	213,722
	<u>3,033,503</u>	<u>5,605,461</u>

Trade debtors is net of allowance for bad debts amounting to €793,833 (2023: €456,148).

## Notes to the financial statements

For the financial year ended 31 December 2024

**14. Cash at bank and in hand**

	2024 €	2023 €
Cash at bank and in hand	267,416	646,134

**15. Creditors: Amounts falling due within one year**

	2024 €	2023 €
Loans owed to credit institutions (note 17)	157,187	138,691
Other loans (note 17)	736,867	736,867
Trade creditors	666,587	788,660
Amounts owed to group undertakings	7,121	109
Taxation and social insurance	184,065	180,480
Directors loan	126,541	99,800
Accruals	279,268	570,613
Deferred income	2,382,805	5,620,129
Shares presented as a liability	350,000	350,000
	<u>4,890,441</u>	<u>8,485,349</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 18.

Amounts owed to group undertakings are unsecured, interest free and payable on demand.

	2024 €	2023 €
<b>Other taxation and social insurance</b>		
PAYE/PRSI	153,009	133,957
VAT	31,056	46,523
	<u>184,065</u>	<u>180,480</u>

## Notes to the financial statements

For the financial year ended 31 December 2024

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

	2024 €	2023 €
Loans owed to credit institutions (note 17)	<u>383,333</u>	<u>51,443</u>

**17. Loans**

Analysis of the maturity of loans is given below:

	2024 €	2023 €
<b>Amounts falling due within one year</b>		
Loans owed to credit institutions (note 15)	157,187	138,691
Other loans (note 15)	736,867	736,867
<b>Amounts falling due 1-2 years</b>		
Loans owed to credit institutions (note 16)	383,333	51,443
	<u>1,277,387</u>	<u>927,001</u>

The Company maintains two loan facilities with Bank of Ireland. As at 31 December 2024, the first loan had an outstanding balance of €57,186 (2023: €190,034) and the second loan had an outstanding balance of €483,334 (2023: €Nil). The applicable interest rates on these loans range from 3.77% to 5.09% (2023: 5.09%).

The first loan is scheduled for monthly repayment until May 2025, while the second loan is repayable monthly over the next five years until October 2029.

The Company also has other interest-bearing loans amounting to €736,867 (2023: €736,867) with an interest rate of 2% (2023: 2%).

**18. Share capital**

	2024 €	2023 €
<b>Shares presented as equity</b>		
<b>Allotted, called up and fully paid</b>		
6,186 (2023: 6,186) Ordinary B shares of €0.0010 each	6	6
20,750 (2023: 20,750) Ordinary C shares of €0.0010 each	21	21
200,500 (2023: 200,500) Ordinary shares of €0.0010 each	200	200
45,467 (2023: 45,467) A Preferred Ordinary shares of €0.0010 each	45	45
2,637 (2023: 2,637) Deferred shares of €0.0010 each	3	3
36,992 (2023: 16,815) A1 Preferred Ordinary shares of €0.0010 each	37	28
	<u>312</u>	<u>303</u>

# Notes to the financial statements

For the financial year ended 31 December 2024

## 18. Share capital (continued)

	2024 €	2023 €
<b>Shares presented as a liability</b>		
<b>Allotted, called up and fully paid</b>		
100,000 (2023: 100,000) 8% A Cumulative Redeemable Convertible Preference shares of €0.0001 each	10	10
250,000 (2023: 250,000) 8% B Cumulative Redeemable Convertible Preference shares of €0.0001 each	25	25
Share premium on convertible preference shares	349,965	349,965
	<b>350,000</b>	<b>350,000</b>

### Ordinary shares

The ordinary shares rank pari passu in all respects, except on the matters noted below.

The holders of A1 preferred ordinary shares, A preferred ordinary shares and ordinary shares shall be entitled to receive notice of and attend and vote in person, or by proxy, at any general meeting of the Company. The holders of the ordinary shares are also entitled to receive dividends and other distributions declared or paid by the Company, pro rata to the number of shares held.

The holders of B ordinary shares and C ordinary shares shall be entitled to receive notice and attend any general meeting of the Company, but shall not be entitled to vote on any resolution proposed. The holders of these shares are also entitled to receive dividends and other distributions declared or paid by the Company, pro rata to the number of shares held.

The A1 Preferred Ordinary Shares and the A Preferred Ordinary Shares each have an individual defined priority ahead of other share classes on the distribution of proceeds upon an exit event, details of which can be found in the Company's Constitution.

### Deferred shares

The holders of Deferred Shares shall have no rights to receive notice of nor attend to or vote at any the general meetings of the Company. The holders of Deferred Shares shall have no right to dividends nor to participate in a return of capital of the Company.

### Convertible shares

The holders of 8% A cumulative redeemable convertible preference shares and of 8% B cumulative redeemable convertible preference shares shall be entitled to receive notice of, and to attend at all general meetings of the Company but not to vote on any resolution proposed. The holders of these shares shall also be entitled in priority to any payment of dividend on any other class of shares in the capital of the Company to be paid annually the 8% dividend.

Each share is convertible to a new share upon written conversion notice of the holder. The number of shares issued shall be equal to the value of the shares being converted, including the share premium, divided by the product of the listed price of the new share and the discount factor, if any.

# Notes to the financial statements

For the financial year ended 31 December 2024

## 19. Reserves

### Share premium account

Share premium account includes any premiums received on issue of share capital.

### Profit and loss account

The profit and loss account includes all current and prior periods retained profits and losses.

## 20. Commitments under operating leases

At 31 December 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	158,035	158,035
Later than 1 year and not later than 5 years	632,141	632,141
Later than 5 years	105,357	263,392
	<u>895,533</u>	<u>1,053,568</u>

## 21. Transactions with directors

As at 31 December 2024, the Company owed Mr Brendan Nevin €65,912 (2023: €49,925) and Mr Anthony Quigley €60,629 (2023: €49,875).

The Company issued A Preferred Ordinary Share to Mr Brendan Nevin amounted to €94,552 (2023: €Nil), Anthony Quigley amounted to €161,006 (2023: €Nil) and Jim Cassidy amounted to €25,600 (2023: €Nil).

Key management compensation during the financial year amounted to €239,333 (2023: €230,740)

## 22. Related party transactions

The Company has availed of the exemption provided in FRS 102, Section 33 "Related Party Disclosures" not to disclose transactions entered into with fellow group companies that are wholly owned within the group of companies of which the Company is a member.

## 23. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately in an independently administered fund. As at 31 December 2024, the pension cost charge is €28,859 (2023: €29,170) which represents contributions to the fund.

## Notes to the financial statements

For the financial year ended 31 December 2024

### **24. Post balance sheet events**

There have been no material events affecting the Company since the end of the financial year, other than those disclosed above.

### **25. Approval of financial statements**

The board of directors approved these financial statements for issue on 27/1/26.