

Company Registration Number 00948470 (England and Wales)

IPSOS (MARKET RESEARCH) LIMITED
(previously Market & Opinion Research International limited)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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IPSOS (MARKET RESEARCH) LIMITED

COMPANY INFORMATION

Directors

K Beaver (Appointed 7 December 2021)

B Gosschalk

D Truchot

B Page

J Haworth

S Atkinson

L Stoclet

Company number

00948470

Registered office

3 Thomas More Square

London

E1W 1YW

Independent auditor

Grant Thornton LLP

Chartered Accountants and Statutory Auditors

30 Finsbury Square, London, England,

EC2A 1AG

Bankers

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62/76 Park Street

London

SE1 9DZ

IPSOS (MARKET RESEARCH) LIMITED**CONTENTS**

	Page(s)
Strategic report	2 - 7
Directors' report	8 - 11
Independent auditor's report to the members of Ipsos (market research) Limited	12 - 15
Statement of total comprehensive income	16
Statement of financial position	17
Statement of changes in equity	18
Notes to the financial statements	19 – 39

IPSOS (MARKET RESEARCH) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their Strategic report for Ipsos (market research) Limited (the “Company” or “IMR”) for the year ended 31 December 2021. On 31 January 2022 the Company changed its name from Market & Opinion Research International Limited to Ipsos (market research) Limited.

Principal activities and review of the business

The principal activity of the Company continued to be that of the provision of high-quality market, opinion and attitude research services to clients in a wide variety of areas.

In mid-2018 Ipsos implemented a growth led strategy, Total Understanding, reviewing its offer and organisational structure to focus on highly specialised service lines, each of which is targeted to achieve global leadership in its market segment. These services can be combined to provide more value to our clients. Due to this strategy, the business of Ipsos (market research) Limited has been restructured into the following areas of specialisation, termed as Service Lines, and they are: Public Affairs, Corporate Reputation, and Customer Experience.

The results for the company show a profit for the financial year of £12.94 million (2020: £17.38 million) and turnover of £ 147.77 million (2020: £150.12 million). Revenue decreased by £2.3 million as compared to last year due to decrease in revenue mainly in Public Affairs. Gross profit percentage was higher compared to last year due to better cost control and moving to telephone/online data collection rather than face to face which improved margins as face-to-face data collection methods are expensive. Administrative expenses increased by £7.9 million (2020: £4.37 million) during the year mainly due to increases in employee related costs and other administrative expenses.

The overall performance of the Company was down in 2021 as compared to last year due to the reduction in the COVID related work. However, we have seen growth in revenues in Corporate Reputation and Customer Experience but the growth could not fully offset the decline in revenues seen in Public Affairs. Our profitability declined due to the increase in costs which we had to absorb as price increases were not possible due to the adverse conditions created by the COVID pandemic. But we were able to offset some of the cost increases as we did more online work which generated a higher gross margin than face to face work. Administrative expenses went up mainly due to the payroll cost as we had to hire more people to support the growth in some service lines but we were able to offset some of the increase in payroll costs by reducing discretionary spend and careful management of headcount during the year. The company is growing in 2022 and has forecasted growth for the future periods.

The market in which the Company operates remains highly competitive and the expectation is to see continued changes in methodology with, for example, the increasing use of online and mobile technologies. The Company needs to be able to adapt to these changes as required by clients and must be able to deliver cost effective solutions to their research needs in a tightened market. The directors remain confident that the business will be able to respond to these challenges in the future.

The directors consider that maintaining and developing effective teams servicing its clients and delivering thought leadership in the specialisms, described above, is key to the ongoing success of the business.

IPSOS (MARKET RESEARCH) LIMITED**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Key performance indicators (“KPIs”)

The directors manage the business based on various areas of specialisation called service lines as detailed above. Each Service Line uses a number of key indicators closely monitored on a Company and individual specialism basis. These include revenue growth, gross profit and gross profit margin, payroll as a % of gross margin and operating profit and operating profit margin. Individual project and client profitability is also monitored closely. A detailed full year budget by specialisation is prepared

at the start of each financial year, and performance against the budget is monitored each month, both by the UK Management Team but also by review with Ipsos SA. There are regular reforecasts each quarter to update performance against budget, so that timely corrective action can be taken as required.

Principal risks and uncertainties

The management of the business and the execution of the Company’s strategy are subject to a number of risks.

Sensitivity to macro-economic trends

The Company is sensitive to changes in the economic climate just like any other business. Economic uncertainty can generate a greater need for information to make informed decisions. This has in the past contributed significantly to the growth in demand for market research. After Brexit, the Company has not experienced any significant changes in the demand for market research services. The Company’s directors will continue to monitor market conditions and tailor its strategy to fit any significant changes in the research market.

Risks relating to industry specific regulations

The Company deals exclusively in market research. The Company’s staff have detailed knowledge of the regulations governing the sector, particularly concerning data protection and dissemination of opinion polls. However, it is not certain that the procedures introduced by the company will prevent all possible breaches.

The company has an integrated quality, compliance and information security management system, Ipsos MORI’s “Business Excellence System” in place, which includes appropriate policies; procedures, practices and technological controls for the protection of information it holds and processes. The Business Excellence System is audited by external auditors annually to ensure we are compliant with the international standards for information security (ISO 27001), company quality (ISO 9001) and market research (ISO 20252).

The EU General Data Protection Regulations (GDPR) came into force on 25th May 2018 and brought significant changes to the data protection law. We are committed to ensuring the security and protection of the personal information that we process, and to provide a compliant and consistent approach to data protection. We have always maintained a strong and effective data protection programme and have further strengthened our controls to meet the stricter demands of the new protection regulations. We are fully compliant with the new GDPR and have robust information security policies and procedures in place to protect personal information from unauthorised access, alteration, disclosure or destruction.

The business could also be affected by the introduction of privacy legislation, in particular legislation allowing consumers to protect themselves against unsolicited telemarketing. Whilst in general there are no such regulations to cover market research, new laws or regulations or a change of interpretation

IPSOS (MARKET RESEARCH) LIMITED**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

of the existing laws or regulations by courts could extend this to market research which could have a negative impact on the operations of the Company.

Risks linked to rapid technological changes in the research and polling market

Some of the market segments in which the Company is active are highly competitive. The Company's continued success depends on our ability to enhance the effectiveness and reliability of our services in such segments. The Company could encounter difficulties that could delay or prevent the successful development, launch or marketing of new services and could also face higher than expected costs if the services and infrastructures need to be adapted to technological changes more quickly than planned.

IT risks

Market research is heavily reliant on information systems and system failure could severely impact its operations (e.g. loss of survey results, inability to access databases, etc.). As part of the Ipsos Group the Company follows policies and procedures developed and adopted by the Group to minimise risks in this area.

Uncertainties arising from Brexit and Covid-19

The uncertainty after the referendum of 23 June 2016, in which the UK voted to leave the European Union, are broadly settled after the striking of the trade deal between the UK and the EU on 24 December 2020. The UK and EU economies were badly affected during 2020 due to the COVID19 outbreak which was declared a pandemic by the WHO in March 2020. The BOE, in its latest report for August, confirmed that the UK GDP growth is slowing down due to high inflationary pressures. Inflation is currently running at over 9% and predicting it to be around 13% in the Q4 of 2022. To curb the inflation and bring it down to its 2% target, BOE has increased interest rate to 2.25% in September. In total, BOE have increased interest rate from 0.1% to 2.25% since December 2021. BOE has maintained the lowest bank rate in its history of 0.1%, slashed from 0.25% at the beginning of the pandemic in March 2020. BOE is projecting that high inflation will remain for another two years before it will come down to the desired level of 2%. High inflation has slowed down the growth of UK and European economies and BOE have forecasted that UK will hit recession in the fourth quarter of this year. Sterling is still trading weakly against the major world currencies especially against US dollar which has gained significantly in the recent months after the Ukraine-Russia conflict. The business of the company has not been affected by the economic downturn as the Company is providing valuable information to the businesses to understand the changing socio-economic landscape in these uncertain times. We have grown in 2021 as the UK economy recovered from the effects of the pandemic and the outlook for 2022 is quite strong which will further improve as the UK and other world economies will recover and control inflationary pressures. We do not foresee any permanent impact on the business of the Company in the aftermath of Brexit, COVID and the recent economic uncertainty.

Financial risk management

The Company faces a number of financial risks which are managed as part of the Ipsos Group's risk management objectives and policies.

Liquidity and cash flow risk

The principal risks facing the Company include liquidity and cash flow risk and the Company therefore maintains sufficient available funds for its daily operations. Management in the UK actively monitors all funding requirements for UK Group companies and will manage any finance arrangements needed

IPSOS (MARKET RESEARCH) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

to meet such requirements. This may result in loans between Group companies being extended beyond original repayment dates or repaid prior to original due dates.

Foreign exchange risk

The Company has foreign currency assets and liabilities. The Company does not currently use financial instruments to manage the risk of fluctuating exchange rates and as such no hedge accounting is applied. The directors keep these measures under constant review.

The Company has incurred losses of £0.47 million in 2021 (2020: £0.7 million) on foreign currency exchange due to the weak trading of sterling against major world currencies. Gains of £0.34 million in 2021 (2020: £0.48 million) have also been made where billings to clients are in foreign currencies. The Company will continue to adhere to Group policies and monitor market conditions to adapt policies to mitigate foreign currency exchange losses if needed.

Interest rate risk

The Company can have both interest-bearing assets and liabilities which are generally held at floating rates. These are monitored by management in the UK and an appropriate structure of investments and borrowing is maintained. The Company does not hedge interest rate risks.

Section 172 Reporting

The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the company. The S172 statement, which is reported for the first time, explains how Company Directors:

- have engaged with employees, suppliers, customers and others; and
- have had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and others, and the effect of this, including on the principal decisions taken by the company during the financial year.

General confirmation of Directors' duties

The Board has a clear framework for determining the matters within its remit and has approved Terms of Reference:

When making decisions, each Director ensures that he/she acts in the way he/she considers, in good faith, would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

S172(1) (A) "The likely consequences of any decision in the long term"

The Directors understand the business and the evolving environment in which we operate. The strategy set by the Board is intended to strengthen our position as a leading Market Research Company in the UK. Regular planning and strategic review by the Board ensures that the Board is aware of the opportunities, challenges and threats that exist, and by monitoring these on a regular basis, increases the likelihood of maximising business performance, while keeping safety and social responsibility fundamental to our business approach and balancing the interests of other Stakeholders as fairly as possible.

IPSOS (MARKET RESEARCH) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

S172(1) (B) “The interests of the company’s employees”

The Directors recognise that employees are fundamental and core to our business and delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, as well as diversity and gender equality, the Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible. The Directors recognise that our pensioners, though no longer employees, also remain important stakeholders.

The Company has several ways of engaging with employees. There is an elected Employee Representative Group, representing all parts of the Company who are elected by their peers. This group is used for all formal discussions and processes (such as potential large-scale restructuring) and meets with representatives of the management team as required.

There is an annual staff survey, in which all staff are eligible to participate. A post-survey action plan is put in place to deal with any major issues identified. Employee engagement continues to improve and is higher than peer group comparatives.

Communication with all employees continues through in-house newspaper and newsletters, briefing groups and the availability of the annual report. The Chief Executive does regular face to face presentations to all employees. Employees are kept aware of any major issues and are regularly updated on financial performance.

S172(1) (C) “The need to foster the company’s business relationships with suppliers, customers and others”

The Company maintains strong mutually beneficial relationships with suppliers, customers and others and follows its four core values whilst doing so. The ability to promote these values effectively is an important factor in the decision to enter into or remain in such relationships.

S172(1) (C) “The need to foster the company’s business relationships with suppliers, customers and others”

Ipsos MORI values integrity and collaboration. Ipsos CSR exists to transform our good intentions into tangible actions. It also demonstrates to colleagues, clients, suppliers and partners that we embrace a sustainable business model and care about the environment, society and community in which we operate.

- **Volunteering:** All employees have two fully paid days a year to dedicate to a cause of their choice. The senior leadership of Ipsos actively support and encourage all staff to use these days and make a difference in the community.
- **Fundraising:** Ipsos will match money raised for charity from employees (up to £200). Globally, we also have the Ipsos foundation which provides grants to employee-sponsored causes related to education access for refugees and migrants.
- **Environment:** Ipsos is a full member of the United Nations Global Compact which requires us to monitor, set and achieve environmental targets. Sustainable behaviour is supported locally through cycle to work schemes, interest free loans on public transport season tickets, office recycling points and the use of energy efficient electronics to name a few actions.

IPSOS (MARKET RESEARCH) LIMITED**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

- **Support for schools:** Ipsos MORI in UK has a relationship, in association with Business in the Community (BITC), with the City of London Academy and the Wembley Ark Academy. We provide long-term support to pupils, teachers and administration staff through CV clinics, apprenticeships, mentoring, work experience, consultancy and event hosting.

For more information, please see the Ipsos MORI website.

S172(1) (E) “The desirability of the company maintaining a reputation for high standards of business conduct”

The Company adheres to the Ipsos SA policies and procedures. These cover (amongst others) General Business Principles, Code of Conduct, specific Ethics & Compliance manuals, and its Modern Slavery Statements, to ensure high standards. This, complemented by the ways the Board is informed and monitors compliance with relevant governance standards, help assure its decisions are taken and that the Company acts in ways that promote high standards of business conduct.

S172(1) (F) “The need to act fairly as between members of the company”

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of our strategy through the long-term, taking into consideration the impact on stakeholders. In doing so, our Directors act as fairly as possible to balance the interests of the Company’s members.

On behalf of the board

John Haworth

J Haworth
Director
29/09/2022

IPSOS (MARKET RESEARCH) LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their Annual Report and audited Financial Statements for Ipsos (market research) Limited for the year ended 31 December 2021.

Results and dividends

The results for the financial year are set out on page 16 and in the Strategic Report.

The Company paid a dividend of £8 million to its immediate parent company (2020: nil) during the year.

Future developments

It is the intention of the directors that the Company will continue to provide high quality market, opinion and attitude research services to clients for the foreseeable future.

Principal risks and uncertainties have been considered within the Strategic report.

Directors

The following directors have held office during the year and up to the date of this report unless stated otherwise:

K Beaver (appointed 7 December 2021)
B Gosschalk
B Page
D Truchot
J Haworth
S Atkinson
L Stoclet

Disabled persons

The Company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" ("FRS 101")). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

IPSOS (MARKET RESEARCH) LIMITED**DIRECTORS' REPORT (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021**

- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors 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.

Statement as to disclosure of information to auditor

In the case of each director in office at the date the Directors' Report is approved, the directors confirm that:

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

Qualifying third party indemnity provisions

During the year to 31 December 2021 and up until the date of signing the report, the Company maintained liability insurance for its directors and officers. Following shareholder approval in July 2005, the Company has also provided an indemnity for its directors, which is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006.

Going concern

The Directors believe that the Company has in place sufficient business information and KPIs to manage its business risks. There is an ongoing cycle of budgeting, forecasting and monthly reporting (including cashflow) to give the Directors early visibility of any risks that appear, and provide the ability to take early corrective action as required.

The overall performance of the Company was down in 2021 as compared to last year due to the reduction in the COVID related work. However, we have seen growth in revenues in Corporate Reputation and Customer Experience but the growth could not fully offset the decline in revenues in Public Affairs. Our profitability declined due to the increase in the costs which we had to absorb as price increases were not possible due to the adverse conditions created by the COVID pandemic. But we were able to offset some of the cost increases as we did more online work which generated a higher gross margin than face to face work. Administrative expenses went up mainly due to the payroll cost as we had to hire more people to support the growth in some service lines but we were able to offset some of the increase in payroll costs by reducing discretionary spend and careful management of headcount during the year. The company is growing in 2022 and has forecasted growth for the future periods.

The Company monitors the performance of their largest clients in particular to ensure that any revenue risk is identified well in advance. Extensive financial modelling is done regularly to ensure that in the event of a significant reduction in spend by major clients the Company would continue to operate. Payroll costs can be controlled either through attrition or redundancy, and discretionary

IPSOS (MARKET RESEARCH) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

spend can also be reduced. During 2021, we have used the Coronavirus job retention scheme to safeguard jobs.

Cashflow and the Balance Sheet are reviewed regularly to ensure that the business has sufficient resource to continue operating, and a rolling forward looking cashflow is prepared each quarter. The business has a wide range of clients and is not overly dependent on any one sector or client. As such, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have considered a period of at least twelve months from the date of approval of the financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The environment scope of disclosures

These disclosures are made in accordance with Streamlined Energy & Carbon Reporting guidelines. The data covers energy usage across all UK entities in IMR. Energy usage from subsidiaries outside of the UK are outside the scope of this report and therefore excluded from the figures below:

Consumption in metric tonnes CO2e	2021	2020
Scope 1 – direct emissions	2,104	1,078
Scope 2 – indirect emissions	18	772
Scope 3 – other indirect emissions	710	961
Total consumption in metric tonnes CO2e	2,832	2,811
Energy usage in kWh	2,807,460	2,684,861

Efficiency ratio:

	2021	2020
Emissions in metric tonnes CO2e per UK employee	1.72	1.84

Methodology

We have followed the guidance to the SECR in making these disclosures.

During FY21, IMR and related group undertaking have occupied six separate offices in the UK. We have used reasonable estimates to calculate our energy usage.

Energy efficient action taken

We have changed how we work to lessen our impact on the environment. Some examples from our offices are:

- Replacement of conventional lights with LED lights where possible
- Installed motion sensors for lights where possible
- Majority of our servers are outsourced thus saving energy. However, a few of our servers are located in the London office will be phased out in the future.
- Temperature control by using summer/winter modes to reduce energy wastage
- Company policy to turn off the monitors after work
- Reduce printing and more focus on electronic storage
- Using electronic signatures over hard copy documents where possible

IPSOS (MARKET RESEARCH) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Post balance sheet events

There are no significant post balance sheet events affecting the business of the company.

Independent auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The financial statements on pages 19 to 39 were approved by the board of directors on 29/09/2022 and signed on its behalf by

John Haworth

.....
J Haworth

Director

29/09/2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS (MARKET RESEARCH) LIMITED (FORMERLY MARKET & OPINION RESEARCH INTERNATIONAL LIMITED)

Opinion

We have audited the financial statements of Ipsos (Market Research) Limited (the 'company') for the year ended 31 December 2021, which comprise the statement of total comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS (MARKET RESEARCH) LIMITED (FORMERLY MARKET & OPINION RESEARCH INTERNATIONAL LIMITED) (continued)**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS (MARKET RESEARCH) LIMITED (FORMERLY MARKET & OPINION RESEARCH INTERNATIONAL LIMITED) (continued)

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We enquired of management concerning the Company's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations;
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We corroborated the results of our enquires to relevant supporting documentation.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (FRS 101 and the Companies Act 2006).
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS (MARKET RESEARCH) LIMITED (FORMERLY MARKET & OPINION RESEARCH INTERNATIONAL LIMITED) (continued)

- Our audit procedures involved:
 - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
 - journal entry testing, with a focus on material manual journals, including those with unusual account combinations and those posted directly to the income statement that increased revenue or that reclassified costs from the income statement to the balance sheet and;
 - challenging assumptions and judgement made by management in its significant accounting estimates.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the entity's operations, including the nature of its revenue sources and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.

Use of our report

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

Grant Thornton

Nicholas Page
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
29/09/2022

IPSOS (MARKET RESEARCH) LIMITED**Statement of total comprehensive income**

Financial year ended December 31, 2021

	Notes	31/12/2021 £'000	31/12/2020 £'000
Revenue	2	147,773	150,123
Cost of sales		(86,825)	(93,801)
Gross profit		60,948	56,322
Administrative expenses	3	(42,345)	(34,376)
Other operating income and expenses		40	235
Operating profit		18,644	22,181
Finance costs	4	(542)	(561)
Profit before tax		18,102	21,620
Tax expense	5	(3,840)	(3,976)
Profit for the financial year		14,262	17,644
(Loss)/gain on re-measurement of post employment benefits		(1,763)	(332)
Deferred tax on losses		440	63
Total comprehensive income for the year		12,939	17,375

The income statement has been prepared on the basis that all operations are continuing operations.

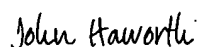
The notes on pages 19 to 39 form an integral part of these financial statements.

IPSOS (MARKET RESEARCH) LIMITED**Company Registration Number 00948470 (England and Wales)****Statement of financial position**

As at December 31, 2021

	Notes	31/12/2021 £'000	31/12/2020 £'000
ASSETS			
Right-of-use assets	6	13,299	11,028
Property, plant and equipment	7	3,625	3,763
Deferred tax assets	8	609	166
Non-current assets		17,533	14,957
Trade receivables	9	8,631	10,015
Other current assets	10	65,400	69,688
Cash and cash equivalents		1,155	(666)
Current assets		75,186	79,037
TOTAL ASSETS		92,719	93,994
LIABILITIES AND EQUITY			
Share capital	11	1	1
Share premium		20	20
Other reserves		461	378
Retained earnings		42,061	37,114
Equity		42,543	37,513
Post employment benefits	14	2,205	395
Lease liabilities	6	15,826	14,062
Non-current liabilities		18,031	14,457
Trade payables	12	778	4,340
Lease liabilities	6	2,432	2,586
Corporation tax		1,365	2,516
Other current liabilities	13	27,570	32,582
Current liabilities		32,145	42,024
TOTAL LIABILITIES AND EQUITY		92,719	93,994

The financial statements were approved by the Board and authorised for issue on 29/09/2022. The notes on pages 19 to 39 form an integral part of these financial statements.



J Haworth
Director
 29/09/2022

IPSOS (MARKET RESEARCH) LIMITED**Statement of changes in equity**

Financial year ended December 31, 2021

In thousands of pounds

	Called up share capital	Share Premium	Other reserves	Retained earnings	Total
Position at January 1, 2020	1	20	76	19,739	19,836
Other movements					
- Share base payment (SBP)	-	-	302	-	302
Profit for the financial year	-	-	-	17,375	17,375
Position at December 31, 2020	1	20	378	37,114	37,513
Position at January 1, 2021	1	20	378	37,114	37,513
Other movements					
- Share base payment (SBP)	-	-	83	8	91
Profit for the year	-	-	-	12,934	12,934
- Dividend paid during the year	-	-	-	(8,000)	(8,000)
Position at December 31, 2021	1	20	461	42,056	42,538

In accordance with IFRS2 – Share-based payments, only share-based payment plans granted after 7 November 2002 are considered when determining staff costs relating to stock option grants. Ipsos SA stock options are granted by the Ipsos SA board to Ipsos (market research) Limited employees. The cost of these option grants is recognised in the Statement of comprehensive income, with the corresponding credit recognised within other reserves.

To assess the staff costs deriving from the options, Ipsos SA uses the Black & Scholes model and the principal assumptions are set out in the financial statements of Ipsos SA.

The expenses recognised in respect of free share plans amounted to £444,454 (2020: £302,968) which is credited to other reserves. We received request from Ipsos SA to pay the cost of free shares vested during the year amounted to £353,012 (2020: £nil) which was debited against other reserves.

To the extent that the share price at the vesting date is (lower)/higher than the share price at the date of the grant, the (gain)/loss is taken to the Statement of comprehensive income, being a loss of £8,666 (2020: £nil).

The notes on pages 19 to 39 form an integral part of these financial statements.

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

General information

IMR is a private company limited by shares and it is incorporated in the United Kingdom. The address of its registered office is 3 Thomas More Square, London, E1W 1YW. The principal activity of the Company continues to be the provision of high quality market, opinion and attitude research services to clients in a wide variety of areas.

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 years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements are prepared under the historical cost convention, and in accordance with the applicable accounting standards in the United Kingdom.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in 'Critical judgements and estimates in applying the accounting policies.

(b) Going concern

The Directors believe that the Company has in place sufficient business information and KPIs to manage its business risks. There is an ongoing cycle of budgeting, forecasting and monthly reporting (including cashflow) to give the Directors early visibility of any risks that appear, and provide the ability to take early corrective action as required.

The overall performance of the Company was down in 2021 as compared to last year due to the reduction in the COVID related work. However, we have seen growth in revenues in Corporate Reputation and Customer Experience but the growth could not fully offset the decline in revenues in Public Affairs. Our profitability declined due to the increase in the costs which we had to absorb as price increases were not possible due to the adverse conditions created by the COVID pandemic. But we were able to offset some of the cost increases as we did more online work which generated a higher gross margin than face to face work. Administrative expenses went up mainly due to the payroll cost as we had to hire more people to support the growth in some service lines but we were able to offset some of the increase in payroll costs by reducing discretionary spend and careful management of headcount during the year. The company is growing in 2022 and has forecasted growth for the future periods.

The Company monitors the performance of their largest clients in particular to ensure that any revenue risk is identified well in advance. Extensive financial modelling is done regularly to ensure that in the event of a significant reduction in spend by major clients the Company would continue to operate. Payroll costs can be controlled either through attrition or redundancy, and discretionary spend can also be reduced. During 2021, we have used the Coronavirus job retention scheme to safeguard jobs.

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021**

Cashflow and the Balance Sheet are reviewed regularly to ensure that the business has sufficient resource to continue operating, and a rolling forward looking cashflow is prepared each quarter. The business has a wide range of clients and is not overly dependent on any one sector or client. As such, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have considered a period of at least twelve months from the date of approval of the financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

(c) Exemption under FRS 101

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- i. Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined);
- ii. IFRS 7, 'Financial instruments: Disclosures';
- iii. Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- iv. From the requirements to prepare a statement of cash flows as per IAS 7;
- v. Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation) and the requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group
- vi. Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- vii. The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements.
- viii. The requirements of IAS 7 Statement of Cash Flows
- ix. The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets.
- x. The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations provided that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated
- xi. The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- xii. The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases

(d) New standards, amendments, IFRIC interpretations and new relevant disclosure requirements

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have a material impact on the company's financial statements

(e) Foreign currencies**(i) Functional and presentation currency**

The Company's functional and presentation currency is pound sterling.

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

(ii) Transactions and balances

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

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.

Monetary items on the balance sheet are revalued at the closing exchange rate at each reporting date. The corresponding revaluation adjustments are recorded in the income statement:

- Under operating margin for commercial transactions related to client surveys;
- Under other non-operating income and expenses for commitments to buy out of non-controlling interests;
- Under financial profit for financial transactions and corporate costs.

(f) Revenue recognition

Revenue is generated from selling of survey-based market research, exclusive of value added tax and trade discounts.

We use the generic term study to define the services we provide for our clients. The contracts (which may well cover many studies) may be short-term (shorter than one month) or much longer (often one year), or even multi-year (often 3-4 years and more rarely 5-7 years). The services provided in a contract generally are not considered distinct and as such are accounted for as a single performance obligation. However, in cases where there is a contract with distinct services or provided at different timings then they are accounted for as a separate performance obligation. Each distinct study is treated as a separate performance obligation. The revenue is allocated to each of the performance obligations based on relative standalone selling price.

Revenue is recognised when a performance obligation is satisfied, in accordance with the terms of the contractual arrangement. Typically, the performance obligations are satisfied over time on a straight-line basis over the life of the contract between the date on which the client agrees to a project and the date on which the survey findings are presented. Revenue recognised over time is based on the proportion of the level of service performed on an input method.

Full provision is made for losses on all contracts in the year in which they are first foreseen.

There is no difference in the revenue recognition rule for short and long studies, or between studies by Service Line.

(g) Employee benefits

The Company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received. The holiday period runs from 1 April to 31 March each year.

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

(ii) *Defined contribution pension plans*

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds. For further details see Note 14.

(iii) *Defined benefit plan*

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- (a) the increase in pension benefit liability arising from employee service during the period; and
- (b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as 'Finance expense'.

(iv) *Share based payments*

The share based payment plans are Ipsos SA schemes. Company employees are granted share options through these schemes by the Ipsos SA Board of Directors. Ipsos has a policy of giving all its employees a share in the Company's success and in the creation of shareholder value through stock option and bonus share plans.

In accordance with IFRS 2, share-based payments, services received from employees that are compensated through stock option plans are recognised under payroll costs, with a balancing

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

entry consisting of an increase in equity, over the vesting period. The expense recognised in each period corresponds to the fair value of goods and services received. To assess the staff costs deriving from the options, Ipsos uses the Black-Scholes model on the grant date and the principal assumptions are set out in the note 15. All stock options awarded after November 7, 2002 and non-vested at the start of the period are taken into account.

(v) *Long-service benefits*

The Company recognises the long-term commitment of its employees by providing them with long service benefit. The policy covers all employees but does not form part of the contract of employment. Long-service leave is awarded once an employee has met the criteria for long service. The Company recognises the expense in its statement of comprehensive income based on the completion of the long service criteria for each employee.

(h) **Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in equity. In this case tax is also recognised directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(a) **Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

(b) **Deferred income tax**

Deferred taxes are recognised using the liability method, for all temporary differences existing on the reporting date between the tax base of assets and liabilities and their carrying amount.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that a taxable profit will be generated against which these temporary differences could be charged.

Deferred tax liabilities are generally recognised for all taxable temporary differences, except where the deferred tax liability results from the initial recognition of an asset or liability as part of a transaction that is not a business combination and which, on the transaction date, does not affect accounting profits or taxable profits or losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and increased or reduced as appropriate to reflect changes in the likelihood that a taxable profit will be generated against which the deferred tax asset can be charged. To assess the likelihood that a taxable profit will become available, the following factors are taken into account: profits in previous financial years, forecasts of future profits, non-recurring items that are unlikely to arise again in the future and tax planning strategy. As a result, a substantial amount of judgment is involved in assessing the Company's ability to utilise its tax loss carry forwards. If future profits were substantially different from those expected, the company would have to increase or decrease the carrying amount of its deferred tax assets, which could have a material impact on the balance sheet and profit of the company.

Deferred tax assets and liabilities are set off against each other where there is a legally enforceable right to offset tax assets and liabilities, and these deferred taxes relate to the same taxable entity and the same tax authority.

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred taxation is debited from or credited to the income statement except where it relates to items taken directly to other comprehensive income or equity.

(i) Property, plant and equipment and depreciation

Property, plant and equipment are stated at historic purchase cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of property, plant and equipment, less their residual values, over their expected useful lives using the straight line basis. The expected useful lives of the assets to the business are reassessed periodically in the light of experience.

Straight line annual rates of depreciation most widely used are:

Leasehold Improvements	Over the period of the lease
Fixture, fittings and equipment	Straight line basis over the useful life of the asset (3 to 5 years)

Residual values are calculated on prices prevailing at the date of acquisition.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

(j) Research and development

Research costs are recognised as expenses when they are incurred. Development costs incurred on an individual project are capitalised when the project's feasibility and profitability can reasonably be regarded as assured.

In accordance with this standard, development costs are capitalised as intangible assets where the Company can demonstrate:

- Its intention to complete the asset and its ability to use or sell it;
- Its financial and technical ability to complete the development project;
- The availability of resources with which to complete the project;
- That it is probable that the future economic benefits associated with the development expenditure will flow to the Company; and
- That the cost of the asset can be reliably measured.

(k) IFRS 16

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Company as lessee

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease when the company, as a lessee, has the right to use an underlying asset for the lease term. Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjustment for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amounts of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line-basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. If any impairment of right-of-use assets is identified, the value of the asset is amended with a corresponding charge to the income statement.

Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. As permitted by IFRS 16, the company uses an incremental borrowing rate, from an external provider, to calculate the lease liabilities. The weighted average incremental borrowing rate applied to right-of-use lease liabilities recognised in the statement of financial position at the date of initial application was 3.41%. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company and payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Variable lease payments and low value assets

Payments associated with short-term leases of equipment and vehicles and all leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

(l) Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the statement of comprehensive income; unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the income statement.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the statement of comprehensive income.

(m) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(n) Trade receivables

Receivables are carried at their fair value. A provision for impairment is recorded when there is an objective indication of the Company's inability to recover all the sums owed, after analysis within the framework of the receivables recovery process. Major financial difficulties encountered by the debtor, the known likelihood of insolvency or financial restructuring and a bankruptcy or payment default represent indications of impairment of a receivable. Impairment is recognised in the Statement of comprehensive income. The "Trade receivables" item also comprises studies in progress valued at their recoverable amount based on the percentage-of-completion method.

(o) Financial instruments

The Company has chosen to adopt the recognition and measurement provisions of IFRS 9 and/or IAS 39 (as amended following the publication of IFRS 9) and reduced disclosure requirements of IFRS 9 under FRS 101 in respect of financial instruments.

(i) Classification

The Company classifies its financial assets in the following categories:

- measured at fair value through profit or loss (FVTPL);
- measured at fair value through other comprehensive income (FVOCI); and
- measured at amortised cost

Financial liabilities are classified in the following categories:

- measured at fair value through profit or loss (FVTPL); and
- measured at amortised cost

(ii) Measurements

At initial recognition, the Company measures a financial asset and liability at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Assets classified as subsequently measured at amortised cost: the interest revenue, expected credit losses and foreign exchange gains or losses are recognised in the statement of comprehensive income. On de-recognition, any gain or loss is recognised in the statement of comprehensive income.

Assets classified as subsequently measured at fair value through other comprehensive income: the interest revenue, expected credit losses and foreign exchange gains or losses are recognised in the statement of comprehensive income. Other gain and losses on re-measurement to fair value are recognised in other comprehensive income. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to statement of comprehensive income.

Assets classified as subsequently measured at fair value through profit and loss: all gains and losses are recognised in the statement of comprehensive income.

Financial liabilities held for trading, derivatives, and financial liabilities designated as at fair value through profit or loss on initial recognition are subsequently measured at fair value with all gains and losses being recognised in the statement of comprehensive income.

Financial liabilities that are not classified at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

(iii) Impairment

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

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 the statement of comprehensive income.

(iv) De-Recognition

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

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

(v) Offsetting

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

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

(p) Distinction between current and non-current items

In accordance with IAS 1 Presentation of Financial Statements, a distinction must be drawn between current and non-current items of an IFRS-compliant balance sheet. Assets expected to be realised and liabilities due to be settled within 12 months from the reporting date are classified as current, including the short-term portion of long-term borrowings. Other assets and liabilities are classified as non-current.

All deferred tax assets and liabilities are presented on separate balance sheet asset and liability lines under non-current items.

(q) Provisions

In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, provisions are recognised when, at the reporting date, the company has a present obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation.

This obligation may be legal, regulatory or contractual.

These provisions are measured according to their type, taking into account the most likely assumptions. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects the market's current assessment of the time value of money. Where the provision is discounted, the increase in the provision linked to the passage of time is recognised under financial costs.

The long-term portions of provisions are recognised under non-current liabilities, with their short-term portion recognised under current liabilities.

If no reliable estimate of the amount of the obligation can be made, no provision is recognised, and information is provided in the notes.

(r) Rounding of amounts

All amounts in the financial statements and notes have been rounded off to the nearest thousand Sterling Pound, unless otherwise stated.

(s) Contractual assets and liabilities

Contractual assets relate to the Company's rights to receive payments for studies that had not been invoiced as of the reporting date. Contractual liabilities relate to advances from clients for studies where revenue is recognised based on progress.

(t) Critical judgements and estimates in applying the accounting policies

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

IPSOS (MARKET RESEARCH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(s-i) Critical judgements in applying the accounting policies

Revenue recognition

Judgement is required regarding the timing of recognition. Revenue is recognised based on start and end date of the projects on a straight-line basis which is subjective and judgement is required for the dates of the project. Further details are set out in the accounting policy 1(f).

Leases

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension or termination option. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment. During the current financial year, there was no material financial effect of revising lease terms to reflect the effect of exercising extension or termination options.

(s-ii) Critical accounting estimates and assumption

Leases

The discount rates applied as of the date of transition are based on the Company's incremental borrowing rate plus a spread to reflect the specific economic environments in each country. These discount rates are reviewed every six months. There was no significant change in the second half of 2021.

Useful economic lives of property, plant and equipment

The annual amortisation or depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are assessed annually. They are amended when necessary to reflect current estimates, based on technological advancements, future investments, economic utilisation and the physical condition of the assets. See note 7 for the carrying amount of property, plant and equipment and note 1(i) for the useful economic lives for each class of asset.

Impairment of trade receivables

The company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 9 for the net carrying amount of the receivables and associated impairment provision.

Recognition of deferred tax assets

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that there will be suitable tax profits from which the future reversal of the underlying timing differences can be deducted. Management's assessment of the likelihood of future tax profits is based on knowledge and performance of the business and historical experience. See note 8 for the deferred tax asset recognised.

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021**

2	Revenue		
	Geographical market	2021	2020
		£ '000	£ '000
	United Kingdom	135,463	137,886
	Rest of World	12,310	12,237
		147,773	150,123

The Company has one class of business being that of survey-based market research. Out of the total revenue of £135,463k, £40k (2020: £235k) was supported by grants.

3	Operating profit	2021	2020
		£ '000	£ '000
	Operating profit is stated after charging:		
	Payroll costs - share-based payments	503	321
	Payroll costs - excluding share-based payments	23,740	21,277
	Social security costs	2,150	2,001
	Other pension costs (Note 14)	1,195	950
	Depreciation of Property, plant and equipment (Note 7)	670	676
	Depreciation on ROU Asset	1,570	1,463
	Audit fee	69	57
	Other administrative Expense	12,448	7,631

In March 2020 the government and local authorities announced several grants including Job Retention Scheme (JRS) to provide immediate financial support to companies to sustain the staff who were furloughed due to COVID-19. The JRS was recognised in profit and loss as "other income – govt subsidy" over the periods in which company recognises the expenses compensated by this grant.

4	Finance Cost	2021	2020
		£ '000	£ '000
	Finance cost on post employment benefits	-	3
	Interest on lease liabilities	542	558
		542	561

5	Tax expense	2021	2020
		£ '000	£ '000
	<i>Current tax</i>		
	UK corporation tax	3,500	2,513
	Prior year adjustment	362	(739)
	Payment in respect of group relief	(33)	2,183
	Foreign tax	13	2
	Total current tax charge	3,842	3,959
	<i>Deferred tax</i>		
	Deferred tax charge	(2)	16

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021**

Transfer deferred tax to OCI		
Total deferred tax charge	(2)	16
Tax on profit on ordinary activities	3,840	3,975

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 19% (2020: 19%)

5 Tax expense (continued)

Factors affecting the tax charge for the year	2021	2020
	£ '000	£ '000
Profit on ordinary activities before taxation	18,096	21,829
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax 19% (2020: 19%)	3,438	4,147
Effects of:		
Non-deductible expenses	(107)	(48)
Other timing differences	(37)	9
Capital allowances	9	-
Other tax adjustments		3
Transfer pricing adjustment on intercompany balances	135	56
Adjustments in respect of prior years	402	(192)
Total tax charge for the year	3,840	3,975

At Spring Budget 2021, the government announced an increase in the Corporation Tax main rate from 19% to 25% for companies with profits over £250,000 together with the introduction of a small profits rate of 19% with effect from 1 April 2023.

6 Right-of-use assets and lease liabilities

The company has lease contracts for buildings used in its operations. The lease terms for property range between 4 and 12 years. The Company applies judgement in evaluating whether or not to exercise any options to renew or terminate any lease. The current portions of the leases have been determined to be the interest and principal payments due over the next 12 months.

6.1 Right-of-use assets

Right-of-use assets are recognised when the company, as a lessee, has the right to use an underlying asset for the lease term. The right-of-use assets are depreciated on a straight-line basis over the lease term.

Right-of-use assets	Buildings	Total
	£'000	£'000
Cost:		
At 1st January 2021	11,028	11,028
Additions (non-cash)	3,894	3,894
Decrease non-cash	(52)	(52)
Depreciation expense	(1,571)	(1,571)
Net Value	13,299	13,299

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****6 Right-of-use assets and lease liabilities (continued)****6.2 Lease liability**

The carrying amounts of the lease liabilities and the movements during the period are as follows:

Lease Liability	Buildings £'000	Total £'000
Cost:		
At 1st January 2021	16,648	16,648
Accretion of interest	(14)	(14)
Additions	4,422	4,422
Payments	(2,799)	(2,799)
At 31st December 2021	18,257	18,257
Current	2,431	2,431
Non-current	15,826	15,826

6.3 Impact of leases on statement of comprehensive income

The following are the amounts recognised in the Statement of Comprehensive Income:

	2021 £'000s
Depreciation expense of right-of-use assets	1,570
Interest expense on lease liabilities	542
Total amount recognised in the Statement of Comprehensive Income	2,112

7 Property, plant and equipment

	Leasehold Improvements £'000	Fixture, fitting and equipment £'000	Total £'000
Cost:			
At 1st January 2021	3,207	4,566	7,773
Additions	13	519	532
At 31st December 2021	3,220	5,085	8,305
Depreciation:			
At 1st January 2021	1,153	2,857	4,010
Depreciation charge for the year	226	444	670
At 31st December 2021	1,379	3,301	4,680
Net book amount at 31st December 2021	1,841	1,784	3,625

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****7 Property, plant and equipment (continued)**

	Leasehold Improvements £'000	Fixture, fitting and equipment £'000	Total £'000
Cost:			
At 1st January 2020	3,072	4,230	7,302
Additions	135	336	471
At 31st December 2020	3,207	4,566	7,773
Depreciation:			
At 1st January 2020	935	2,399	3,334
Depreciation charge for the year	218	458	676
At 31st December 2020	1,153	2,857	4,010
Net book amount at 31st December 2020	2,054	1,709	3,763

8 Deferred tax

	2021 £ '000	2020 £ '000
At 1 January	166	90
Additions dealt with in profit or loss:		
Adjustment in respect of prior years	(67)	39
Charged to profit and loss	510	37
Charged to other comprehensive income	-	-
Balance at 31 December	609	166
	2021 £ '000	2020 £ '000
Capital allowances	(250)	(94)
Other timing differences	859	260
	609	166

The deferred tax asset primarily relates to the reversal of timing differences on acquired intangible and tangible assets and capital allowances through depreciation and amortisation, offset by expected tax deductions when payments are made to utilise provisions. A deferred tax asset also arises on the liabilities within the long-term employee benefits.

The deferred tax asset has been recognised as it is considered more likely than not that there will be suitable tax profits from which the future reversal of the underlying timing differences can be deducted.

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****9 Trade receivables**

	2021	2020
	£ '000	£ '000
Gross amount	8,631	10,015
Net amount	8,631	10,015

During the year, there has been no bad debt (2020: none)

10 Other current assets

	2021	2020
	£ '000	£ '000
Amounts owed by Group undertakings	34,694	36,409
Other debtors	90	(56)
Prepayments	4,935	3,541
Contract Assets	25,681	29,794
Total	65,400	69,688

Amounts owed by Group undertakings are unsecured, interest free and are repayable on demand.

11 Called up share capital

	2021	2020
	£	£
Authorised		
780,000 (2020: 780,000) Ordinary shares of 0.1p each	780	780
260,000 (2020: 260,000) 'A' Ordinary shares of 0.1p each	260	260
500,000 (2020: 500,000) Deferred shares of 0.1p each	500	500
	1,540	1,540
Allotted, issued and fully paid		
780,000 (2020: 780,000) Ordinary shares of 0.1p each	780	780
260,000 (2020: 260,000) 'A' Ordinary shares of 0.1p each	260	260
	1,040	1,040

All the shares rank "pari passu" in all respects.

12 Trade Payables

	2021	2020
	£ '000	£ '000
Trade Payables	778	4,340
Total	778	4,340

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021****13 Other current liabilities**

	2021	2020
	£ '000	£ '000
Amounts owed to Group undertakings	8,612	13,459
Social security	672	594
Contract liabilities	1,869	2,326
Other creditors	735	1,258
Current provisions	894	201
Accruals	14,788	14,744
Total	27,570	32,582

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

14 Pension costs**Defined benefit scheme**

The Company is a member of a defined benefit group pension scheme providing retirement benefits based on members' final pensionable pay. The assets of the scheme are held separately from those of the Company, being invested with a managed pension fund. On 1 March 2006 the defined benefit pension scheme was closed for future accrual and the Company established a defined contribution scheme to provide benefits to the deferred members who were still employees.

An actuarial valuation of the IMR pension scheme using the projected unit basis was carried out at 31 December 2021 by Mercer Limited, independent consulting actuaries.

The major assumptions used by the actuary were:

	2021	2020
	%	%
Discount rate	1.80%	1.40%
Rate of RPI inflation	3.30%	2.80%
Rate of pension increases (RPI max 5%)	3.20%	2.70%

The post-retirement mortality assumption used for the year ended 31 December 2021 is 100% of S3PA (2020: 95% of the S2PA) tables, CMI 2021 (2020: CMI 2020) projections with long term improvement rate of 1.25% per annum.

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****14 Pension costs (continued)**

	Value at 31 December 2021 £000	Value at 31 December 2020 £000
Corporate bonds	12,485	13,881
Cash / other	84	235
Total market value of assets	12,569	14,116
Present value of scheme liabilities	14,774	(14,511)
Deficit in scheme	(2,205)	(395)
Related deferred tax asset (note 8)	551	75
Net pension deficit	(1,654)	(320)
Reconciliation of present value of scheme liabilities:	2021	2020
	£000	£000
Liabilities as at 1 January	14,511	12,803
Interest / Past service cost	369	266
Benefits paid	(751)	(281)
Actuarial (gain) on liabilities due to changes in demographic assumptions	417	(32)
Actuarial loss on liabilities due to changes in financial assumptions	169	1,893
Actuarial (gain) on liabilities due to experience adjustment	59	(138)
Liabilities at 31 December	14,774	14,511
Reconciliation of fair value of scheme assets:	2021	2020
	£000	£000
Fair value of assets as at 1 January	14,116	12,560
Expected return on scheme assets	193	263
Employer contributions	129	183
Benefits paid	(751)	(281)
Actuarial gain on assets	(1,118)	1,391
Fair value of assets as at 31 December	12,569	14,116

Scheme assets do not include any of the Company's own financial instruments, or any property occupied by the Company.

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date.

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****14 Pension costs (continued)**

Analysis of the amounts charged to other finance charge/(income) are as follows:

	2021	2020
	£000	£000
Interest on pension scheme liabilities	369	266
Expected return on pension scheme assets	(193)	(263)
Expense included within other finance costs	176	3

Actuarial gain/(loss) recognised in other comprehensive income:

	2021	2020
	£000	£000
Total remeasurements included in other comprehensive income	1,763	(332)

Defined contribution scheme

The cost of contributions to the defined contribution scheme amounts to £1,154,013 (2020: £1,133,365). At the end of the year, contributions of £4,685 (2020: £2,073), representing the unpaid contributions for 31 December 2021 were outstanding.

15 Share based payments

In accordance with IFRS 2, Share-based payments of FRS 101, only share-based payment plans granted after 7 November 2002 are taken into account when determining staff costs relating to stock option grants. Ipsos SA stock options are granted by the Ipsos SA board to IMR employees. The cost of these option grants is recognised in the Statement of comprehensive income, with the corresponding credit recognised within other reserves.

On 28 May 2019, the Board of Directors of Ipsos SA set up a new free share plan covering a total of 440,127 shares in the Group for the benefit of officers, directors and employees of the Ipsos Group. These shares will vest with the beneficiaries only after a period of three years, provided that the beneficiary is still an employee, officer or director of the Ipsos Group at the end of this period.

Grant date	28 May 2019
Number of Shares outstanding as at 31 December 2021	14,983
Number of beneficiaries at 31 December 2021	39
Expiry date of vesting period	28 May 2022

On 28 May 2020, the Board of Directors of Ipsos SA set up a new free share plan covering a total of 715,075 shares in the Group for the benefit of officers, directors and employees of the Ipsos Group. These shares will vest with the beneficiaries only after a period of three years, provided that the beneficiary is still an employee, officer or director of the Ipsos Group at the end of this period.

Grant date	28 May 2020
Number of Shares outstanding as at 31 December 2021	28,395
Number of beneficiaries at 31 December 2021	46
Expiry date of vesting period	28 May 2023

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****15 Share based payments (continued)**

On 31 Mar 2021, the Board of Directors of Ipsos SA set up a new free share plan covering a total of 162,062 shares in the Group for the benefit of officers, directors and employees of the Ipsos Group. These shares will vest with the beneficiaries only after a period of three years, provided that the beneficiary is still an employee, officer or director of the Ipsos Group at the end of this period.

Grant date	31 Mar 2021
Number of Shares outstanding as at 31 December 2021	9,699
Number of beneficiaries at 31 December 2021	19
Expiry date of vesting period	31 Mar 2024

On 27 May 2021, the Board of Directors of Ipsos SA set up a new free share plan covering a total of 431,806 shares in the Group for the benefit of officers, directors and employees of the Ipsos Group. These shares will vest with the beneficiaries only after a period of three years, provided that the beneficiary is still an employee, officer or director of the Ipsos Group at the end of this period.

Grant date	27 May 2021
Number of Shares outstanding as at 31 December 2021	25,657
Number of beneficiaries at 31 December 2021	41
Expiry date of vesting period	27 May 2024
To assess the staff costs deriving from options, Ipsos uses the Black & Scholes model, the principal assumptions of which are as follows:	

Grant date	28 May 2019	28 May 2020	31 March 2021	27 May 2021
Share price on grant date	€24.75	€21.50	€32.55	€32.75
Fair value of the share	€21.82	€19.04	€29.46	€29.66
Risk-free interest rate	-0.21%	-0.29%	-0.45%	-0.40%
Dividends	0.88	0.74	0.90	0.90

16 Directors' emoluments	2021	2020
	£ '000	£ '000
Emoluments for qualifying services	873	723
Company pension contributions to money purchase schemes	17	18
	890	741

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2020:2)

Emoluments disclosed above include the following amounts paid to the highest paid director:

	2021	2020
	£ '000	£ '000
Emoluments for qualifying services	493	384
Company pension contributions to money purchase schemes	5	6
	498	390

IPSOS (MARKET RESEARCH) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021****16 Directors' emoluments (continued)**

Free shares exercised by the highest paid director realised a gain of £99,163 (2020: £Nil) during the year.

Free shares exercised by 3 (2020: 2) directors realised a gain of £125,728 (2020: £137,707) during the year. Free shares received during the year by 6 (2020: 6) directors were under long term incentive schemes.

D Truchot, L Stoclet, and J Haworth did not receive emoluments from the Company and were paid by other Group companies.

Emoluments for qualifying services do not include the gain on share options and free shares.

17 Employees**Number of employees**

The average monthly number of employees (including directors) during the year was:

	2021	2020
	Number	Number
Research and administration	445	432
	445	432

18 Ultimate parent undertaking and controlling party

The immediate parent undertaking is MORI Limited.

The ultimate parent undertaking and controlling party is Ipsos SA, a Company incorporated in France.

Ipsos SA is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2021. The consolidated financial statements of Ipsos SA are available from 35 rue du Val de Marne, Paris, 75013, France.