

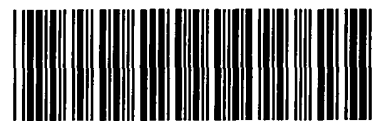
GfK NOP Limited

**Directors' report and financial
statements**

Registered number 02512551

31 December 2014

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Strategic report

Principal activity

The principal activity of the company throughout the year was, and will continue to be, market research. No change in the company's activity is expected in the foreseeable future.

Risk

Senior management are aware of their responsibility for managing risks within the business. Risk is regularly reviewed at board level to ensure that risk management is being implemented and monitored effectively.

The board policy is to ensure that the business is run effectively and appropriately, bearing in mind the requirements for timely decision making and commercial reality.

Through management reports, risks are highlighted and monitored to identify potential business risk areas and to quantify and address the risk wherever possible.

The principal risks facing the business are as follows:

(1) Economic downturn;

The threat of further recession from both the Euro zone problems and the inevitable eventual rise in interest rates could both dampen demand.

(2) Government cut backs;

There are on-going UK government spending cuts and the impact of these on research budgets could be felt far wider than just the public sector.

GfK NOP, as part of the GfK Group, actively works to mitigate these risks by constantly developing new client offerings and improving our value add proposition. We are leveraging the international footprint of the group to grow existing multi-national clients and our client base. The effect of this is to expand and diversify our exposure to global marketing and research spend.

Business Review

Key Performance Indicators ("KPIs"), which are set at board level, have been devised to allow the Board and shareholders to monitor the company as a whole. The company monitors KPIs on a regular basis at board level as follows:

	31 December 2014	31 December 2013
	£'000	£'000
1. Turnover	100,866	126,705
2. Operating profit	4,820	6,034
3. Cash at bank and in hand	47	194

Strategic report (continued)

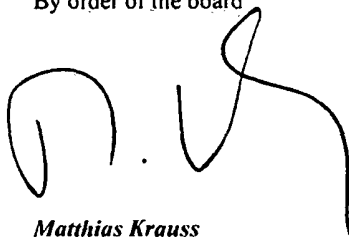
The company also monitors the movement in underlying trading performance excluding any elements of group related costs and restructuring.

	31 December 2014 £'000	31 December 2013 £'000
1. Operating profit excluding group management fees and restructuring costs	9,258	10,476
2. Group restructuring programs and exceptional costs	nil	(87)
3. Group share scheme costs	(26)	(34)
4. Group management fees	(4,412)	(4,321)
5. Operating Profit	4,820	6,034

The company perceives and monitors the following major trends, opportunities and risks for the year ending 31 December 2014 and beyond:

- ensuring that the company's objective of providing quality market research is met
- ensuring the market led change of more traditional data collection methodology towards usage of emerging technologies is managed successfully
- ensuring that all personnel are trained and developed to meet the increased client requirement for added value research, and that our recruitment policy reflects changes in client requirements
- monitoring costs and ensuring that least-cost solutions are utilised to keep the company competitive in the market for global research
- monitoring client needs and ensuring that our products and research approaches are up-to-date

By order of the board



Matthias Krauss
Director

14/05/2015

2015

Directors' Report

The directors present their report and the audited financial statements of GfK NOP Limited ("the company") for the year ended 31 December 2014.

Results

The company reports a profit of £4,309,000 for the year ended 31 December 2014 (*2013 profit: £5,022,000*).

Dividends

The directors have not paid an interim dividend for the year ended 31 December 2014 (*2013: £nil*) and no final dividend is proposed (*2013: £nil*).

Directors

The following directors held office during the year and subsequently:

RD Jameson (resigned 11 May 2015)

M Krauss

CD Moy

DA Pruent (resigned 31 March 2014)

NH Watkins (resigned 1 May 2014)

CJ White

BE van der Werf (appointed 11 May 2015)

Employee involvement

The board recognises the value of communication with employees at all levels and this is further encouraged by various incentive and share ownership schemes.

Directors' Report (continued)

Disabled people

The company pursues a policy of providing the same employment opportunities to disabled people as to others.

Political contributions

The company made no political donations or incurred any political expenditure during the year (2013:£nil)

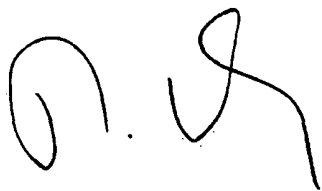
Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Matthias Krauss
Director

14/05/2015

2015

Level 18
25 Canada Square
Canary Wharf
London
E14 5LQ

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of GfK NOP Limited

We have audited the financial statements of GfK NOP Limited for the year ended 31 December 2014 set out on pages 7 to 23. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.



Sarah Styant (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

14 May 2015

Profit and loss account
for the year ended 31 December 2014

	<i>Note</i>	2014 £000	2013 £000
Turnover	<i>1, 2</i>	100,866	126,705
Cost of sales		(96,046)	(120,671)
Operating profit	<i>3</i>	4,820	6,034
Income from shares in group undertakings		651	933
Other interest receivable and similar income	<i>6</i>	210	95
Profit on ordinary activities before taxation		5,681	7,062
Tax on profit on ordinary activities	<i>7</i>	(1,372)	(2,040)
Profit for the financial year	<i>15, 16</i>	4,309	5,022

The results stated above all relate to continuing activities.

The company had no recognised gains and losses other than those included in the profit above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year above and their historical cost equivalents.

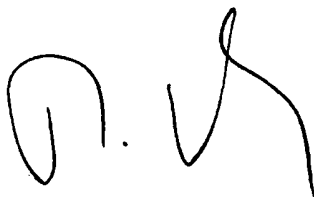
The notes on pages 9 to 23 form part of these financial statements.

Balance sheet
at 31 December 2014

	Notes	2014 £000	2013 £000
Fixed assets			
Intangible assets	8	115	55
Tangible assets	9	2,030	700
Investments	10	559	559
		<u>2,704</u>	<u>1,314</u>
Current assets			
Debtors	11	103,792	101,237
Cash at bank and in hand		47	194
		<u>103,839</u>	<u>101,431</u>
Creditors: amounts falling due within one year	12	<u>(48,665)</u>	<u>(48,732)</u>
Net current assets		<u>55,174</u>	<u>52,699</u>
Total assets less current liabilities		<u>57,878</u>	<u>54,013</u>
Creditors: amounts falling due after more than one year	13	<u>(618)</u>	<u>(1,062)</u>
Net assets		<u>57,260</u>	<u>52,951</u>
Capital and reserves			
Called up share capital	14	44,000	44,000
Profit and loss account	15	13,260	8,951
Shareholders' funds	16	<u>57,260</u>	<u>52,951</u>

These financial statements were approved by the board of directors on its behalf by:

14105/ 2015 and were signed on



Matthias Krauss
Director

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared on a consistent basis in accordance with applicable Accounting Standards in the United Kingdom. A summary of the principal accounting policies is set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Cash flow statement

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

Related party transactions

In accordance with Financial Reporting Standard Number 8: Related Party Disclosures, the company is exempt from disclosing transactions with entities that are part of the headed by its ultimate parent company, disclosed in note 20, or investees of that group qualifying as related parties, as it is a wholly owned subsidiary of a parent publishing consolidated financial statements.

Turnover

Turnover from rendering of services, which is stated net of trade discounts, sales returns, VAT and other sales related taxes, is recognised using a percentage of completion method.

Going concern

The Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern. On the basis of their assessment of the Company's financial position, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved for payment.

Notes (continued)

1 Accounting policies (continued)

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract.

Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Intangible Assets

Intangible fixed assets purchased separately from a business are capitalised at their cost.

Intangible assets acquired as part of an acquisition are capitalised at their fair value where this can be measured reliably.

Impairment reviews are carried out at the end of the first full year after acquisition and on the occurrence of any event or change in circumstances indicating that there may have been a decline in the carrying value or change in the useful life.

Other intangible assets comprise certain product rights including licenses and related costs, which are amortised over the shorter of their useful economic lives or the license period.

Software

Acquired software is stated at cost less amortisation and impairment. Software is written off over its useful economic life which is considered to be 3 years.

Investments

Investments in subsidiaries and associated undertakings are included in the company's balance sheet at cost less any provision for impairment.

Tangible fixed assets and depreciation

Tangible fixed assets are written off by equal annual instalments over the following estimated useful lives:

Short leasehold property	-	term of lease
Plant and machinery	-	between 3 and 10 years
Motor vehicles	-	4 years

Notes (continued)

1 Accounting policies (continued)

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

2 Segmental analysis

By class of business

In the opinion of the directors, the business operates in the single segment of market research.

By geographical area

	2014	2013
<i>Turnover by destination</i>	£000	£000
United Kingdom	68,014	68,837
Europe and Middle East	20,278	38,611
North America	3,842	10,569
Asia Pacific	3,465	7,477
South America	22	39
Rest of World	5,245	1,172
	<u>100,866</u>	<u>126,705</u>

All turnover originates in the UK.

Profit on ordinary activities before taxation

Profit on ordinary activities before taxation all arise from one activity, market research, and originates in the UK.

Net assets

All assets are employed in the United Kingdom.

Notes (continued)

3 Operating profit

	2014 £000	2013 £000
<i>The operating profit is stated after charging/(crediting)</i>		
Depreciation of tangible and intangible assets	482	470
Auditors' remuneration	107	110
Loss on disposal of fixed assets	-	1
Operating lease charges	3,168	3,048
Group restructuring programs	-	87
	<hr/>	<hr/>

Group restructuring programs costs consisted of £nil reorganisation and improvement project costs (2013: £87,000), approved by the Group Supervisory Board.

Auditors' remuneration:

	2014 £000	2013 £000
Audit of these financial statements	70	73
<i>Amounts receivable by the auditors and their associates in respect of:</i>		
Audit of financial statements of subsidiaries pursuant to legislation	37	37
	<hr/>	<hr/>

Notes (continued)

4 Staff numbers and costs

The average number of employees of the company during the year was 582 (2013: 619) analysed as follows:

	2014 Number	2013 Number
Research	502	541
Administration	80	78
	<hr/> 582 <hr/>	<hr/> 619 <hr/>

The aggregate payroll costs of these persons were as follows:

	2014 £000	2013 £000
Wages and salaries	27,559	28,118
Social security costs	2,855	2,905
Other pension costs	2,565	2,585
	<hr/> 32,979 <hr/>	<hr/> 33,608 <hr/>

Notes (continued)

5 Remuneration of directors

The aggregate payroll costs of directors were as follows:

	2014 £000	2013 £000
Directors' emoluments	909	1,031
Amounts receivable under long term incentive scheme	54	228
Company contributions to money purchase pension schemes	113	134
	<u>1,076</u>	<u>1,393</u>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £353,000 (2013: £391,000), including Company pension contributions of £39,115 (2013: £40,609) made to a money purchase scheme on the director's behalf.

	Number of directors	
	2014	2013
Retirement benefits administered by trustees of Group Personal Pension Scheme are accruing to the following number of directors:	4	4

No directors exercised share options in 2014 (2013: nil). The number of directors in respect of whose services shares were received or receivable under long term incentive schemes was nil (2013: nil).

6 Other interest receivable and similar income

	2014 £000	2013 £000
Interest receivable:		
Group	145	95
FX gains from cash pool in foreign currency	65	-
	<u>210</u>	<u>95</u>

Notes (continued)

7 Taxation

	2014 £000	2013 £000
<i>Analysis of tax (charge)/ credit in the year</i>		
Current tax:		
UK corporation tax at 21.5% (2013: 23.25%)	(1,384)	(1,634)
Adjustment in respect of prior years	(10)	(242)
	<u>(1,394)</u>	<u>(1,876)</u>
Deferred tax:		
Deferred tax charge	22	(164)
	<u>22</u>	<u>(164)</u>
Total tax charge for the year	<u>(1,372)</u>	<u>(2,040)</u>

Factors affecting current tax charge for the period

The current tax charge for the year is lower (2013: higher) than the standard rate of corporation tax in the UK. The differences are explained below.

	2014 £000	2013 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before taxation	<u>5,681</u>	<u>7,062</u>
Profit on ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 21.5% (2013: 23.25%)	(1,221)	(1,642)
Effects of:		
Expenses not deductible for tax purposes	(277)	(247)
Movement in short term timing differences	(26)	38
Dividends received not taxable	140	217
Transfer pricing adjustments for tax purposes	(518)	(230)
Adjustment in respect of prior years	(10)	(242)
Group relief	518	230
	<u>(1,394)</u>	<u>(1,876)</u>
Current tax charge on profit on ordinary activities	(1,394)	(1,876)

Factors that may affect future current tax charges

The standard rate of UK corporation tax in the year changed from 23% to 21% from 1 April 2014 and will change to 20% from 1 April 2015. UK deferred tax is therefore recognised at the reduced rate of 20%.

Notes (continued)

8 Intangible fixed assets

	Goodwill £000	Software £000	Total £000
<i>Cost:</i>			
At 1 January 2014	3,403	396	3,799
Additions	-	111	111
	<hr/>	<hr/>	<hr/>
At 31 December 2014	3,403	507	3,910
	<hr/>	<hr/>	<hr/>
<i>Amortisation and impairment:</i>			
At 1 January 2014	(3,403)	(341)	(3,744)
Charge for the year – amortisation	-	(51)	(51)
	<hr/>	<hr/>	<hr/>
At 31 December 2014	(3,403)	(392)	(3,795)
	<hr/>	<hr/>	<hr/>
<i>Net book amount:</i>			
At 31 December 2014	-	115	115
	<hr/>	<hr/>	<hr/>
At 31 December 2013	-	55	55
	<hr/>	<hr/>	<hr/>

Notes (continued)

9 Tangible fixed assets

	Short leasehold property	Motor vehicles	Plant, machinery and equipment	Total
	£000	£000	£000	£000
<i>Cost</i>				
At 1 January 2014	2,158	15	1,945	4,118
Additions	980	-	781	1,761
Disposals	(86)	-	-	(86)
At 31 December 2014	3,052	15	2,726	5,793
<i>Depreciation</i>				
At 1 January 2014	(1,909)	(13)	(1,496)	(3,418)
Charge for year	(138)	-	(293)	(431)
Disposals	86	-	-	86
At 31 December 2014	(1,961)	(13)	(1,789)	(3,763)
<i>Net book value</i>				
At 31 December 2014	1,091	2	937	2,030
At 31 December 2013	249	2	449	700

Notes (continued)

10 Investments

	Subsidiaries £000	Associated undertakings £000	Total £000
<i>Cost</i>			
At 1 January 2014	621	494	1,115
Additions	-	-	-
Disposals	-	-	-
At 31 December 2014	<u>621</u>	<u>494</u>	<u>1,115</u>
<i>Amortisation and impairment</i>			
At 1 January 2014	(62)	(494)	(556)
Charge for year	-	-	-
Disposals	-	-	-
At 31 December 2014	<u>(62)</u>	<u>(494)</u>	<u>(556)</u>
<i>Net Book Value</i>			
At 31 December 2014	<u><u>559</u></u>	<u><u>-</u></u>	<u><u>559</u></u>
At 31 December 2013	<u><u>559</u></u>	<u><u>-</u></u>	<u><u>559</u></u>

At 31 December 2014 the company owned the following principal subsidiary undertakings:

Name	Country of incorporation and operation	Class of shares held	% of shares held	Activity
Numbers Services Limited	England & Wales	A Class Ordinary	100%	Holding company
GfK NOP Services Limited	England & Wales	Ordinary	100%	Trading company
GfK NOP Telephone Interviewing Services Limited	England & Wales	Ordinary	100%	Trading company
GfK NOP Field Interviewing Services Limited	England & Wales	Ordinary	100%	Trading company
GfK NOP Mystery Shopping Services Limited	England & Wales	Ordinary	100%	Trading company
GfK NOP Field Marketing Services Limited	England & Wales	Ordinary	100%	Trading company
GfK Mystery Shopping Services Limited	England & Wales	Ordinary	100%	Trading company

Notes (continued)

10 Investments (continued)

In the opinion of the directors the aggregate value of the company's interest in its subsidiary undertakings is not less than the amount stated in the balance sheet.

11 Debtors: amounts falling due within one year

	2014 £000	2013 £000
Trade debtors	17,857	19,361
Amounts owed by subsidiary/fellow group undertakings	77,277	74,965
Deferred tax*	276	255
Other prepayments and accrued income	8,382	6,656
	<hr/>	<hr/>
	103,792	101,237
	<hr/>	<hr/>

* Deferred tax asset relates to accelerated capital allowances and short term timing differences.

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment.

Notes (continued)

12 Creditors: amounts falling due within one year

	2014	2013
	£000	£000
Trade Creditors	10,810	11,462
Amounts owed to immediate parent undertaking	3,661	3,661
Amounts owed to subsidiary undertakings	3,446	3,622
Amounts owed to fellow group undertakings	11,055	10,822
Corporation tax	1,516	698
Other taxes and social security	2,014	2,295
Other creditors	6,850	6,484
Accruals and deferred income	9,313	9,688
	<u>48,665</u>	<u>48,732</u>

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

13 Creditors: amounts falling due after more than one year

	2014	2013
	£000	£000
Long term incentive plan liabilities	102	112
Provisions	516	950
	<u>618</u>	<u>1,062</u>

Of the £516,000 (2013: £950,000) long-term provision amount listed above, £346,000 (2013: £769,000) relates to property lease dilapidation provisions and £nil (2013: £11,000) currency hedging deal valuation i.e. the valuation of those deals which mature during the 2015 year. The remaining £170,000 (2013: £170,000) relates to provisions for lawsuits.

Notes (continued)

14 Called up share capital

	2014 £000	2013 £000
<i>Allotted, called up and fully paid</i>		
44,000,000 ordinary shares of £1 each	44,000	44,000

15 Profit and loss account

	£'000
At 1 January 2014	8,951
Profit for the financial year	4,309
At 31 December 2014	13,260

16 Reconciliation of movement in shareholders' funds

	2014 £000	2013 £000
Shareholders' equity brought forward	52,951	47,929
Profit for the financial year	4,309	5,022
Shareholders' equity carried forward	57,260	52,951

17 Financial commitments

The company has authorised but not contracted capital commitments at the balance sheet date of £578,525 (2013: £219,420).

18 Operating lease commitments

Commitments under operating leases are as follows:

	2014 £000	2013 £000
<i>Due within one year</i>		
- Land and buildings	1,356	3,005
- Other	11	11
<i>Due between two and five years</i>		
- Land and buildings	4,906	1,540
- Other	-	-
<i>Due greater than five years</i>		
- Land and buildings	9,647	-
- Other	-	-
	15,920	4,556

Notes *(continued)*

19 Ultimate parent company

The immediate parent undertaking is NOP World Limited, which is registered in England and Wales.

The ultimate parent undertaking and controlling party is GfK Societas Europaea ("GfK SE") which is registered in Germany. GfK SE is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of GfK SE's consolidated financial statements may be obtained from their registered office or website.