

# Ipsos Healthcare Japan Limited

Registered number: 04128947

## Annual Report

For the year ended 31 December 2019



# Ipsos Healthcare Japan Limited

## COMPANY INFORMATION

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**DIRECTORS**

W Hall  
J R Haworth

**COMPANY SECRETARY**

R Van Hullen

**REGISTERED NUMBER**

04128947

**REGISTERED OFFICE**

3 Thomas More Square  
London  
E1W 1YW

**TRADING ADDRESS**

4-3-13 Toranomon  
Minato-Ku  
Tokyo  
Japan  
105-0001

**INDEPENDENT AUDITOR**

Mazars LLP  
Tower Bridge House  
St. Katharine's Way  
London  
E1W 1DD

**BANKERS**

The Bank of Tokyo – Mitsubishi UFJ  
1-1-1 Minami-Aoyama  
Minato-Ku  
Tokyo  
Japan  
107-0062

# Ipsos Healthcare Japan Limited

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## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their report and the financial statements for the year ended 31 December 2019.

### **Principal activity**

The principal activity of the company continues to be that of market research within Japan.

### **Results and dividends**

The profit for the year, after taxation, amounted to £407,227 (2018 - £158,729).

An interim dividend of £nil was paid during the year (2018 - £381,408). The directors do not recommend payment of a final dividend (2018 - £nil).

### **Future developments**

The Company is expected to continue in operation in the same sectors using the same business model for the foreseeable future.

### **Going Concern**

The company has a strong net asset position and the directors believe the company is well placed to manage any arising business risks. The impact of Britain exiting the European Union has been considered at length even though our trading in the Eurozone is not a material part of the business. The impact of COVID19 is minimal to the company during the year 2020 as it is playing a pivotal role in providing valuable information to its pharmaceutical clients who are at the forefront in fighting the pandemic. Pharma companies are investing heavily to better understand and manage this pandemic and our relationship with them is getting stronger due to our expertise in both sectors Syndicated and Custom health. The outlook for 2021 is very positive for the company and we expect achieve the same revenue level as in 2019 and 2020. For these reasons the directors have adopted the going concern basis of accounting in the preparation of these financial statements.

### **Directors**

The directors who served during the year to the date of this report were:

W Hall

R van Hullen (resigned 03/08/2021)

J R Haworth

### **Directors' responsibilities statement**

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;

## **DIRECTORS' REPORT (continued)**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **Directors' responsibilities statement (continued)**

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

#### **Disclosure of information to auditor**

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

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

#### **Post balance sheet events**

The COVID19 outbreak was declared a pandemic in March 2020 by the World Health Organisation and is adversely affecting economies in all the parts of the world. This is a non-adjusting post balance sheet event and has no impact on these financial statements. The health sector around the world is under tremendous pressure due to the outbreak and pharmaceutical companies are leading to find a cure for this new strain of virus. The company is at the forefront in providing vital information to the healthcare providers and pharmaceutical companies who are playing a pivotal role in fighting this pandemic. Due to our unique position in the healthcare sector, our performance in 2020 is expected to be at par with 2019 and we do not expect there to be any adverse impact on the financials of the company in 2021.

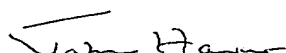
#### **Auditor**

For the year ending 31 December 2020 Grant Thornton LLP will be appointed as auditors of the Company and a resolution concerning their appointment will be proposed at the Annual General Meeting.

#### **Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



**J R Haworth**  
Director  
14<sup>th</sup> December 2021

## Opinion

We have audited the financial statements of Ipsos Healthcare Japan Limited (the 'Company') for the year ended 31 December 2019 which comprise the Statement of 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS HEALTHCARE JAPAN LIMITED (CONTINUED)**

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### **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 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In 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 Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS HEALTHCARE JAPAN LIMITED (CONTINUED)**

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### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

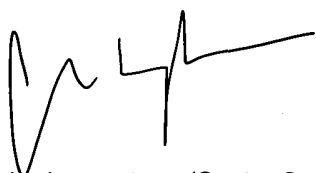
### **Auditor's responsibilities for the audit of the financial statements**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of the audit 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.



Claire Larquetoux (Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor

Tower Bridge House  
St Katharine's Way  
London  
E1W 1DD

15 December 2021



# Ipsos Healthcare Japan Limited

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

		2019	2018
	Note	£	£
Turnover	4	4,371,199	3,547,841
Cost of sales		<u>(1,778,845)</u>	<u>(1,555,355)</u>
<b>Gross Profit</b>		2,592,354	1,992,486
Administrative expenses		<u>(1,897,250)</u>	<u>(1,767,192)</u>
<b>Operating Profit</b>	5	695,104	225,294
Interest receivable and similar income	8	<u>17</u>	<u>18</u>
<b>Profit before tax</b>		695,121	225,312
Tax on profit	9	<u>(287,994)</u>	<u>(66,583)</u>
<b>Profit for the year</b>		<u><b>407,127</b></u>	<u><b>158,729</b></u>
Foreign currency retranslation		<u>(54,979)</u>	<u>157,699</u>
<b>Other comprehensive income</b>		<u>(54,979)</u>	<u>157,699</u>
<b>Total comprehensive income for the year</b>		<u><b>352,148</b></u>	<u><b>316,428</b></u>

The notes on pages 11 to 22 form part of these financial statements.

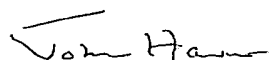
# Ipsos Healthcare Japan Limited

Registered number: 04128947

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
<b>Fixed Assets</b>			
Intangible assets	11	12,600	24,044
Tangible assets	12	<u>1,184</u>	<u>2,741</u>
		13,784	26,785
<b>Current Assets</b>			
Debtors: amounts falling due within one year	13	1,594,506	966,901
Cash at bank and in hand	14	<u>2,464,968</u>	<u>1,920,203</u>
		4,059,474	2,887,104
Creditors: amounts falling due within one year	15	<u>(1,680,281)</u>	<u>(873,060)</u>
<b>NET CURRENT ASSETS</b>		<u>2,379,193</u>	<u>2,014,044</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,392,977</u>	<u>2,040,829</u>
<b>NET ASSETS</b>		<u>2,392,977</u>	<u>2,040,829</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	100	100
Profit and loss account		<u>2,392,877</u>	<u>2,040,729</u>
<b>TOTAL EQUITY</b>		<u>2,392,977</u>	<u>2,040,829</u>

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



**J R Haworth**  
Director

14th December 2021

The notes on pages 11 to 22 form part of these financial statements.

# Ipsos Healthcare Japan Limited

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Profit and loss account £	Total £
<b>BALANCE AS AT 1 JANUARY 2018</b>	<b>100</b>	<b>2,105,709</b>	<b>2,105,809</b>
Profit for the year	-	158,729	158,729
Foreign currency translation differences		157,699	157,699
<b>Other comprehensive income for the year</b>		<b>157,699</b>	<b>157,699</b>
<b>Total comprehensive income for the year</b>		<b>316,428</b>	<b>316,428</b>
Dividends: Equity capital		(381,408)	(381,408)
<b>Total transactions with owners</b>		<b>(381,408)</b>	<b>(381,408)</b>
<b>BALANCE AS AT 31 DECEMBER 2018</b>	<b>100</b>	<b>2,040,729</b>	<b>2,040,829</b>
Profit for the year	-	407,127	407,127
Foreign currency translation differences		(54,979)	(54,979)
<b>Other comprehensive income for the year</b>		<b>(54,979)</b>	<b>(54,979)</b>
<b>Total comprehensive income for the year</b>		<b>352,148</b>	<b>352,148</b>
Dividends: Equity capital		-	-
<b>Total transactions with owners</b>		<b>-</b>	<b>-</b>
<b>BALANCE AS AT 31 DECEMBER 2019</b>	<b>100</b>	<b>2,392,877</b>	<b>2,392,977</b>

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1. General information

The company is a private company limited by shares, and is registered in England & Wales. Its registered and trading addresses are included on the company information page. Its registered number is 04128947.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

#### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41 (f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Ipsos SA as at 31 December 2019 and these financial statements may be obtained from Ipsos SA 35 rue Val de Marne, Paris, 75013, France.

#### 2.3 Going concern

The company has a strong balance sheet with significant cash reserves, and is able to pay all of its external creditors as they fall due. The company has a strong history of profitability derived from its position in the market in which it operates, and sufficient cash flow arising from operations to meet its day to day needs. The impact of COVID19 is minimal to the company during the year 2020 and 2021 as it is playing a pivotal role in providing valuable information to its pharmaceutical clients who are at the forefront in fighting the pandemic (see page 3 for more information). Furthermore, the directors have made enquiries of the ultimate parent company and have satisfied themselves that further funding would be available to the company should it be required, and that the ultimate parent company has the ability to provide this.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the date of signing of these financial statements. For these reasons, they continue to adopt the going concern basis of accounting in preparing the financial statements.

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.4 Revenue

Turnover comprises sales of survey based market research, net of value added tax and trade discounts. Revenue is recognised as a proportion of total contract value based on costs incurred in relation to total anticipated costs due to completion. Full provision is made for losses on all contracts in the year in which they are first foreseen.

For all other services, turnover is recognised when a sale has been completed. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

#### 2.5 Intangible assets

##### *Goodwill*

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

##### *Other intangible assets*

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. The amortisation period for intangible assets is as follows:

Software	- 20% per year on a straight line basis
Goodwill	- Over 10 years on a straight line basis

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 25% straight line
Fixtures & fittings	- 10% straight line
Computer equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

#### 2.7 Operating leases: the company as lessee

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

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

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

#### 2.8 Debtors

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

#### 2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty or notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.10 Financial instruments

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

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

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

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

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

#### 2.11 Creditors

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

#### 2.12 Foreign currency translation

##### *Functional and presentation currency*

The company's functional currency is Japanese Yen. This differs from the presentational currency which is GBP. The reason for the difference is that all operations and local books and records are maintained in Japan.

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### *Transactions and balances*

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

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

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

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

#### 2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

#### 2.14 Interest income

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

#### 2.15 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

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

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



# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.15 Taxation (continued)

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

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

The following critical judgements made by management in applying the Company's accounting policies have the most significant impact on the amounts recognised in the financial statements.

#### **Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are considered by the directors to be the following:

*Useful life of intangible assets* – intangible assets arising from business combinations are amortised over their useful life. The directors are not able to accurately estimate the useful life of the assets, and therefore have assumed this is limited to 10 years. Assets are reviewed for impairment regularly and are impaired should their carrying amount be in excess of their value in use.

*Recoverability of intra-group loans* – The company has several trading balances with other group companies which are repayable on demand. The company has concluded that these balances are all recoverable in full, and makes enquiries on an ongoing basis as to the financial status of other group companies in order to ensure that this remains appropriate. Should balances not prove recoverable, these are provided for in full.

*Recoverability of trade receivables* – the company assesses the recoverability of its trade receivable balances on an ongoing basis. Regular credit checks on counterparties are undertaken, and balances are provided for in full when it is clear that no payment will be forthcoming.

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 4. Turnover

All turnover derives from one class of business, market research, and originates in Japan.

	2019	2018
	£	£
United Kingdom	-	-
Rest of the world	4,371,199	3,547,841
	<u>4,371,199</u>	<u>3,547,841</u>

### 5. Operating Profit

The operating profit is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation of tangible fixed assets	1,544	3,583
Amortisation of intangible assets, including goodwill	11,270	10,643
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	35,923	34,610
Other operating lease rentals	<u>82,562</u>	<u>82,562</u>

### 6. Employees

Staff costs were as follows:

	2019	2018
	£	£
Wages and salaries	679,983	658,281
Social security cost	<u>110,015</u>	<u>110,972</u>

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

	2019 No.	2018 No.
Researchers	<u>18</u>	<u>18</u>

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 7. Directors' remuneration

	2019	2018
	£	£
Directors' emoluments	97,525	162,192

The highest paid director received remuneration of £97,525 (2018- £162,192) for services to the company.

### 8. Interest receivable

	2019	2018
	£	£
Other interest receivable	17	18

### 9. Taxation

	2019	2018
	£	£
<b>Corporation Tax</b>		
Current tax on profits for the year	134,960	46,625
Double taxation relief	(134,960)	(46,625)
<b>Foreign tax</b>		
Foreign tax on income for the year	268,208	35,328
Foreign tax in respect of prior periods	19,786	31,255
<b>Taxation on profit on ordinary activities</b>	<b>287,994</b>	<b>66,583</b>

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 9. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 – higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19.25%). The differences are explained below:

	2019	2018
	£	£
Profit on ordinary activities before tax	695,121	225,312
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 – 19.25%)	132,092	42,809
<b>Effects of:</b>		
Disallowable expenses	433	1,113
Amortisation of goodwill	2,141	2,022
Higher rate taxes overseas earnings	133,249	(11,298)
Adjustments to tax charge in respect of prior periods – foreign tax	19,786	31,255
Deferred tax not provided	293	682
<b>Total tax charge for the year</b>	<b>287,994</b>	<b>66,583</b>

#### Factors that may affect future tax charges

During the year the existing UK corporation tax rate was 19%. Following subsequent budget announcements, it is currently planned that the main rate of corporation tax will be 19% from April 2020.

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 10. Dividends

	2019	2018
	£	£
Equity dividends paid	-	381,408

### 11. Intangible assets

	Development £	Goodwill £	Total £
<b>Cost</b>			
At 1 January 2019	2,381	86,603	88,984
Foreign Exchange Movement	-	(1,828)	(1,828)
At 31 December 2019	2,381	84,775	87,156
<b>Amortisation</b>			
At 1 January 2019	2,381	62,559	64,940
Charge for the year	-	11,270	11,270
Foreign Exchange Movement	-	(1,654)	(1,654)
At 31 December 2019	2,381	72,175	74,556
<b>Net book value</b>			
At 31 December 2019	-	12,600	12,600
At 31 December 2018	-	24,044	24,044

### 12. Tangible fixed assets

	Motor vehicles £	Fixture & fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2019	15,470	41,517	28,865	85,852
Disposals	-	-	(1,903)	(1,903)
Exchange adjustments	(326)	2,521	(61)	1,585
At 31 December 2019	15,144	44,038	26,352	85,534
<b>Depreciation</b>				
At 1 January 2019	15,470	41,517	26,124	83,111
Charge for the year	-	-	1,544	1,544
Exchange adjustments	(326)	2,521	(598)	1,598
Disposals	-	-	(1,903)	(1,903)
At 31 December 2019	15,144	44,038	25,167	84,350
<b>Net book value</b>				
At 31 December 2019	-	-	1,184	1,184
At 31 December 2018	-	-	2,741	2,741

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 13. Debtors

	2019	2018
	£	£
Trade debtors	905,105	300,395
Amounts owed by group undertakings	371,500	209,970
Other debtors	2,949	3,460
Prepayments and accrued income	314,953	358,838
Other tax and social security	-	94,238
	<u>1,594,506</u>	<u>966,901</u>

### 14. Cash and cash equivalents

	2019	2018
	£	£
Cash at bank and in hand	<u>2,464,968</u>	<u>1,920,203</u>

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

	2019	2018
	£	£
Trade creditors	311,147	51,371
Other taxation and social security	96,807	-
Foreign tax payable	238,683	-
Other creditors	74,554	51,785
Accruals and deferred income	959,090	769,904
	<u>1,680,281</u>	<u>873,060</u>

### 16. Share capital

Shares classified as equity	2019	2018
	£	£
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

# Ipsos Healthcare Japan Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 17. Reserves

Profit & loss account

The profit and loss account represents the accumulated results of the company, less any dividends paid.

### 18. Related party transactions

The company has taken advantage of the exemption in FRS 102 Section 33 'Related Party Disclosures' from the requirement to disclose transactions with wholly owned group companies on the grounds that the company is a wholly owned subsidiary which has been included within publicly available consolidated financial statements prepared by the ultimate parent company. There were no other related party transactions during the year.

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel.

Key management personnel remuneration is as follows:

	2019 £	2018 £
Key management remuneration	97,525	162,192

### 19. Post balance sheet events

The COVID19 outbreak was declared a pandemic in March 2020 by the World Health Organisation and is adversely affecting economies in all the parts of the world. This is a non-adjusting post balance sheet event and has no impact on these financial statements. The health sector around the world is under tremendous pressure due to the outbreak and pharmaceutical companies are leading to find a cure for this new strain of virus. The company is at the forefront in providing vital information to the healthcare providers and pharmaceutical companies who are playing a pivotal role in fighting this pandemic. Due to our unique position in the healthcare sector, our performance in 2020 is expected to be at par with 2019 and we do not expect there to be any adverse impact on the financials of the company in 2021.

### 20. Controlling party

At the year end the directors regarded Synovate Healthcare Limited, a company incorporated in Great Britain and registered in England and Wales, as the immediate parent company.

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 for which group financial statements are prepared and of which the company is a member. The consolidated financial statements are available from Ipsos SA, 35 rue du Val de Marne, 75628, Paris, France.