

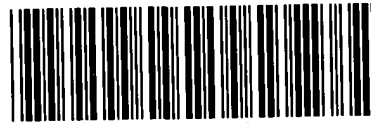
**Registration number 05395024 (England and Wales)**

**ToLuna Group Limited**

**Directors' report and financial statements**

**for the year ended 31 December 2019**

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**Company information**

Directors	Frédéric-Charles Petit Pierre Camagne Tonmoy Mukherjee
Company number	05395024 (England and Wales)
Registered office	Ealing Cross 85, Uxbridge Road London W5 5TH
Auditor	Constantin 25 Hosier Lane London EC1A 9LQ United Kingdom

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**Strategic Report**  
**For the year ended 31 December 2019**

**Introduction**

This Strategic report has been prepared solely to provide additional information to shareholders to assess ToLuna Group Limited's strategies and the potential for those strategies to succeed.

The Strategic report contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to their inherent uncertainties, including both economic and business risk factors, underlying such forward-looking information.

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

**Principal activity of the business and objectives**

ToLuna Group Limited ("the Company") holds investments in entities which provide online panel and technology services to the market research industry.

**Business review**

The results of the Company for the year, as set out on page 9, show a loss on ordinary activities before tax of £1,203k (2018: Loss of £4,659k).

**Principal risks and uncertainties**

<b>Principal risks and uncertainties</b>	<b>Group's mitigating actions/plan</b>
Level of repeat business from clients	ToLuna Group Limited's subsidiaries seek to reduce this risk by both making sure the existing clients are highly satisfied and by investing in new tools and new markets.
Ability to attract and retain panellists	ToLuna Group Limited's subsidiaries reduce this risk by offering a unique community approach and by constantly innovating in order to provide a better panellist experience.
Fluctuation in global foreign exchange rates	ToLuna Group Limited's subsidiaries' philosophy is to limit to the bare necessity the amount of the transactions processed in a currency that is not the functional currency of the local entity.
Exposure to reduced demand for services due to the level of activity in the global economy	ToLuna Group Limited's subsidiaries believe that innovation will allow gaining market share at a higher speed than the demand for service may decrease. This applies, under other things, in converting off-line market research to on-line so that the nominal value of the activity globally increases.

As ToLuna Group is a holding company, no particular impact is expected following the Brexit.

**Strategic Report (continued)**  
**For the year ended 31 December 2019**

**Key performance indicators**

The Company's key financial and other performance indicators during the year were as follows:

	<b>2019</b>	<b>2018</b>	<b>Change</b>	<b>Change</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b>Income</b>	<b>112</b>	<b>402</b>	<b>- 290</b>	<b>-72%</b>
<b>Operating profit/(loss)</b>	<b>269</b>	<b>(3,030)</b>	<b>+ 3,299</b>	<b>109%</b>
<b>Cash</b>	<b>1,996</b>	<b>259</b>	<b>+ 1,737</b>	<b>671%</b>
<b>Financial results</b>	<b>(1,471)</b>	<b>(1,629)</b>	<b>+ 158</b>	<b>10%</b>

Operating profit has increased following a transfer of employees in 2019 to another entity of the Group and rebilling of Consultancy fees.

The bank balance has increased following the shareholder loan increase.

The financial loss comes from the holding activity of ToLuna Group with interest payments on intercompany loans and banking fees.

**Summary of key performance indicators**

The Company's key financial performance indicators are other income, and financial loss.

**Strategy**

The Company's strategy is to support the growth of the operational business by supporting the creation of new legal entities in terms of shareholding and financing.

ITWP Group was impacted by COVID 19 epidemic in early 2020 but remains confident in its capacity to continue to deliver steady business performance.

**Future developments**

No major change is expected in terms of business for the Company and its subsidiaries in 2020.

**Strategic Report (continued)**  
**For the year ended 31 December 2019**

**Shareholding**

Interests in the ordinary share capital of the Company are the following:

Name of holders	31 December 2019		31 December 2018	
	Number of shares	% held	Number of shares	% held
ITWP Acquisitions Limited	55,404,340	100%	55,404,340	100%

This report was approved by the Board of Directors on December 22<sup>nd</sup>, 2020 and signed on behalf of the board by:



**Tonmoy Mukherjee**  
Director

**Directors' Report**  
**For the year ended 31 December 2019**

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

**Results and dividends**

The results for the year are set out on page 9.

**Strategic Report**

The following details are disclosed within the strategic report:

- The company's principal activity of the business and objectives;
- The company's principal risks and uncertainties;
- The company's key performance indicators;
- The company's strategy;
- The company's future development.

**Post balance sheet events**

No post balance sheet event is to be reported

**Directors**

The Directors who served throughout the year and up to the date of signing the accounts were:

F-C Petit	Director and Chief Executive Officer
P Camagne	Director and Chief Financial Officer (resigned 30 <sup>th</sup> September 2020)
Tonmoy Mukherjee	Director and Global Head of Legal (appointed 30 <sup>th</sup> September 2020)

**Statement of Directors' responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have to prepare the Company's financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Under that 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 the affairs of the Company and of the profit or loss of the Company for that year.

In preparing those financial statements, the Directors are required to:

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

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the system of

**Directors' Report (continued)**  
**For the year ended 31 December 2019**

internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Ownership**

Since 19 April 2011, ToLuna Group Limited has been entirely privately owned by ITWP Acquisitions Limited, incorporated in the United Kingdom.

As at 31 December 2019 and as at prior year-end, ToLuna Group Limited was exempt from preparing consolidated accounts as it met the conditions of not presenting consolidated financial statements under IFRS 10.

At that date, ITWP Acquisitions Limited fully consolidated ToLuna Group Limited and issued consolidated financial statements which comply with International Financial Reporting Standards. These consolidated accounts are available at the registered office of ITWP Acquisitions Limited: 85, Uxbridge Road, Ealing Cross London W5 5TH. ITWP Acquisitions Limited was renamed Toluna Holdings Limited on August 12<sup>th</sup>, 2020.

**Employees' involvement**

Employees are kept informed of the performance of the Company through personal briefings, regular meetings and e-mails. The financial and economic factors affecting the Company's performance are also communicated by senior management through informal briefings.

**Employment of disabled persons**

*It is the policy of the Company to give full and fair consideration to the employment of disabled persons in jobs suited to their individual circumstances and, as appropriate, to consider them for recruitment opportunities, career development and training. Where possible, arrangements are made for the continuing employment of employees who have become disabled whilst in the Company's employment.*

**Going concern**

These financial statements have been prepared on a going concern basis. The Company's business activities, together with the factors likely to affect its future development and position, are set out above.

The Directors are therefore confident that the Company will continue in operational existence for the foreseeable future. On this basis, the Directors continue to adopt the going concern basis for the preparation of the annual financial statements.

Toluna Group Ltd is a holding company whose revenues are based on intercompany cost recharges therefore there is no real impact of Covid-19. Covid-19 is a non-adjusting event.



**Directors' Report (continued)  
For the year ended 31 December 2019**

**Auditor:**

Each of the persons who is a director at the date of approval of this report confirms 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 he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

The auditors, Constantin, have expressed their willingness to continue in office.

**Date:** December 22<sup>nd</sup>, 2020



**Tonmoy Mukherjee**  
Director

**Independent auditor's report to the members of ToLuna Group Limited**

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of ToLuna Group Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of cash flows;
- the statement of changes in equity;
- the related notes 1 to 20 which include a statement of accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

**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 Financial Reporting Council's (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 required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

**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 respect of these matters.

**Independent auditor's report to the members of ToLuna Group Limited (continued)**

**Responsibilities of directors**

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.

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

**Report on other legal and regulatory requirements**

**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.

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 any material misstatements in the strategic report or the directors' report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

**Independent auditor's report to the members of ToLuna Group Limited (continued)**

**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.

**Date:** December 22<sup>nd</sup>, 2020

A handwritten signature in black ink, appearing to read 'MBg', with a long horizontal line extending to the right.

**Mark Bathgate FCA (Senior Statutory Auditor)**

For and on behalf of Constantin  
Chartered Accountants and Statutory Auditor  
25 Hosier Lane  
London EC1A 9LQ  
United Kingdom

**Statement of Comprehensive Income  
For the year ended 31 December 2019**

Continuing operations		Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
	Note		
Other operating income		3	88
Other income	2	109	314
Other operating expenses	3	753	(1,422)
Staff costs	4	(591)	(2,014)
<b>Operating profit/(loss) before amortisation</b>		<b>274</b>	<b>(3,034)</b>
Amortisation		(5)	4
<b>Operating loss</b>		<b>269</b>	<b>(3,030)</b>
Finance income	5	41	214
Finance costs	5	(1,512)	(1,843)
<b>Loss before tax</b>		<b>(1,203)</b>	<b>(4,659)</b>
Taxation	6	-	-
<b>Loss for the financial year</b>		<b>(1,203)</b>	<b>(4,659)</b>
Write off fixed assets revaluation		-	-
<b>Total comprehensive loss for the year</b>		<b>(1,203)</b>	<b>(4,659)</b>

There are no recognised gains or losses other than the profit for the financial year.

Turnover and operating profit are all derived from continuing operations.

**The notes on pages 14 to 27 form an integral part of these financial statements.**

**ToLuna Group Limited**

**Balance sheet  
As at 31 December 2019**

		31 December 2019 £'000	31 December 2018 £'000
	Note		
<b>Non-current assets</b>			
Intangible assets	8	-	5
Tangible assets	7	1	1
Investment in subsidiary undertakings	9	57,169	57,159
		<u>57,170</u>	<u>57,165</u>
<b>Current assets</b>			
Trade & other receivables	10	2,419	1,205
Loans & cash advances	11	11,177	12,508
Cash & cash equivalents		1,996	259
		<u>15,592</u>	<u>13,972</u>
<b>Current liabilities</b>			
Trade & other payables	12	3,598	4,578
Loans & cash advances	14	7,780	6,322
		<u>11,378</u>	<u>10,900</u>
<b>Total assets less current liabilities</b>		<u>61,384</u>	<u>60,237</u>
<b>Non-current liabilities</b>			
Loans	15	11,100	8,750
<b>Net assets</b>		<u>50,283</u>	<u>51,486</u>
<b>Equity</b>			
Share capital	16	554	554
Share premium account		44,271	44,271
Retained earnings		5,458	6,661
<b>Total equity</b>		<u>50,283</u>	<u>51,486</u>

The financial statements of ToLuna Group Limited (registered number 05395024) were approved by the board of directors and authorised for issue on December 22<sup>nd</sup>, 2020. They were signed on its behalf by



**Tonmoy Mukherjee**  
Director

**Independent auditor's report to the members of ToLuna Group Limited (continued)**

**The notes on pages 14 to 27 form an integral part of these financial statements.**

**Statement of Cash Flows**  
**For the year ended 31 December 2019**

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
<b>Operating activities</b>		
Loss before tax	(1 203)	(4 659)
Adjustments for :		
Amortisation and depreciation	5	(5)
Decrease/(Increase) in receivables	(1 214)	160
(Decrease)/Increase in payables	(980)	(778)
<b>Cash (used)/generated for the year before amortisation and depreciation</b>	<b>(3 392)</b>	<b>(5 282)</b>
Net finance costs	1 472	1 630
<b>Net cash (used)/generated from operating activities</b>	<b>(1 920)</b>	<b>(3 652)</b>
<b>Investing activities</b>		
Finance income	41	214
Finance costs	(1 512)	(1 843)
Capital increase in Toluna Brazil	(10)	
<b>Net cash (used)/generated from investing activities</b>	<b>(1 481)</b>	<b>(1 629)</b>
<b>Financing activities</b>		
New borrowings	2 350	(3 250)
Loans granted by/(to) subsidiaries and shareholder	1 331	5 812
Loans granted (to)/by subsidiaries and shareholder	1 458	1 047
<b>Net cash inflow/(outflow) from financing activities</b>	<b>5,139</b>	<b>3,609</b>
<b>Increase in cash and cash equivalents</b>	<b>1,738</b>	<b>(1,672)</b>
<b>Net cash and cash equivalents at start of the year</b>	<b>259</b>	<b>1,930</b>
<b>Net cash/(overdraft) at end of the year</b>	<b>1,996</b>	<b>259</b>
<b>Cash and cash equivalents</b>	<b>1,996</b>	<b>259</b>
<b>Bank overdraft</b>		
<b>Net cash/cash equivalents</b>	<b>1,996</b>	<b>259</b>



**Statement of Changes in Equity  
For the year ended 31 December 2019**

	Share capital	Share premium account	Retained earning	Total
	£'000	£'000	£'000	£'000
<b>At 1 January 2018</b>	<b>554</b>	<b>44,271</b>	<b>11,320</b>	<b>56,145</b>
Total comprehensive loss			(4,659)	(4,659)
<b>At 31 December 2018</b>	<b>554</b>	<b>44,271</b>	<b>6,661</b>	<b>51,486</b>
Total comprehensive loss			(1,203)	(1,203)
<b>At 31 December 2019</b>	<b>554</b>	<b>44,271</b>	<b>5,458</b>	<b>50,283</b>

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**1 Statement of significant accounting policies**

The principal accounting policies are summarised below. All accounting policies are unchanged from the previous year and have been applied consistently throughout the current year and the previous year.

**Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union with those parts of the Companies Act 2006 applicable to companies reporting under IFRS and under the historic cost convention of historic cost.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of ITWP Acquisitions Limited. The group accounts of ITWP Acquisitions Limited are available to the public and can be obtained as set out in note 19.

**New standards and interpretations not yet adopted**

The following accounting standards and interpretations are in issue but have not yet been adopted by the Company:

- Mandatory Effective Date and Transition Disclosures - Amendments to IFRS 9 and IFRS 7 (postponed)\*

The Directors do not intend to apply any of these standards and interpretations early and the potential impact of these standards on the Group's financial statements is still being reviewed.

**Going concern**

The financial statements have been prepared using the going concern basis of accounting. The directors have concluded that it is appropriate to prepare the accounts on a going concern basis as the company had adequate cash resources and financial projections indicate that the company will continue to trade within its existing bank facilities.

Toluna Group Ltd is a holding company whose revenues are based on intercompany cost recharges therefore there is no real impact of Covid-19. Covid-19 is a non-adjusting event.

**Intangible assets**

Software is stated at cost less accumulated amortisation. Amortisation is charged so as to write off the cost over the estimated useful lives using the straight-line method over 3 to 4 years and commences when the asset is complete and put into use.

**Tangible assets**

Office equipment is stated at cost less accumulated depreciation. Depreciation is charged so as to write off the cost over the estimated useful lives using the straight line method over 36 months for laptops, and commences when the asset is complete and put into use.

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**1 Statement of significant accounting policies (continued)**

**Investments in subsidiary undertaking**

Subsidiary undertakings are recorded at cost to the Group. Their carrying value is subject to impairment testing where indicators of impairment exist.

**Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred taxation is the tax that is expected to be payable or recoverable on material differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the Statement of Financial Position liability method. Deferred tax liabilities are generally recognised for all material taxable temporary differences except on initial recognition of goodwill and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated on an undiscounted basis using tax rates that have been enacted or substantively enacted by the balance sheet date that are expected to apply in the year when the liability is settled or the asset realised.

The company and its fellow group undertakings are able to relieve their tax losses by surrendering them to other group companies within the UK where capacity to utilise those losses exists. There is no requirement for the receiving companies to make any payment for these losses.

**Foreign currency translation**

The Company's functional currency is pounds sterling. The functional currencies of significant subsidiaries are the pounds sterling, the Euro and the US dollar.

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Gains and losses arising on retranslation are included in the statement of comprehensive income.

**Financial assets**

Financial assets consist of cash, loans and receivables and investments.

Cash and cash equivalents include cash at bank and in hand and short-term deposits. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position. For cash flow purposes cash and cash equivalents are stated net of bank overdrafts.

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**1 Statement of significant accounting policies (continued)**

**Financial assets (continued)**

Trade receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts. An estimate of uncollectible amounts is made when collection of the full amount is no longer probable. Uncollectible amounts are written off to the Statement of Comprehensive Income when identified.

Subsidiary undertakings are recorded at cost. Their carrying value is subject to impairment testing where indicators of impairment exist.

Income relating to financial assets is recognised as finance income in the Statement of Comprehensive Income.

**Financial liabilities**

Financial liabilities consist of trade and other payables and bank overdrafts.

Financial liabilities are recognised when the Company becomes party to the contractual arrangements of the instrument.

Trade and other payables and bank loans are recognised initially at their fair value, net of transaction costs, and subsequently measured at amortised cost less settlement payments, using the effective interest method.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Where the contractual obligations of financial instruments, including share capital, are equivalent to a similar debt instrument, those instruments are classed as financial liabilities. Financial liabilities are classified as such in the Statement of Financial Position.

Interest payable from financial instruments is recorded as a finance cost within the Statement of Comprehensive Income.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classified as an equity instrument.

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

**Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Financial assets**

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**1 Statement of significant accounting policies (continued)**

**Impairment of assets (continued)**

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Equity and dividends**

Equity instruments issued by the Company are recorded at proceeds received net of direct issue costs.

Share capital is determined using the nominal value of shares that have been issued.

The share premium account any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium account to the extent of the premium on that issue, net of any related income tax benefits.

Foreign currency translation differences are included in the translation reserve.

Retained earnings include all current and prior period results as disclosed in the Statement of Comprehensive Income.

Final equity dividends to the shareholders of ToLuna Group Limited are recognised in the period that they are approved by the shareholders. Interim equity dividends are recognised in the period that they are paid.

**Share-based payment**

The Company issues equity-settled share options and cash-settled share appreciation rights to certain employees of the Company. Equity-settled share-based payment transactions are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

**Key accounting estimates and judgements**

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

*Critical judgement in applying the Company's accounting policies:*

Judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax treatment is uncertain. The Group recognises liabilities for

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**1 Statement of significant accounting policies (continued)**

**Key accounting estimates and judgements (continued)**

anticipated tax issues based on estimates of whether additional taxes are likely to be due. The Group recognises deferred tax assets and liabilities based on estimates of future taxable income and recoverability. Where a change in circumstance occurs, or the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax balances in the year in which that change or outcome is known.

**2 Other income**

Other income is the result of the management service agreement signed between ToLuna Group and the other legal entities of the ITWP Group. This relates to the recharge of the Group CFO Salary and travel expenses according to specific allocations.

**3 Other operating expenses**

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Operating loss is stated after charging/(crediting)		
Exchange loss	(39)	20
Auditors' remuneration :		
- Audit of the parent, Group and individual companies	140	140
- Audit of the parent, Group and individual companies recharged	(59)	(56)
Amortisation and depreciation	5	(4)

There has been no auditors' remuneration for non-audit services in 2019 and in 2018. The other operating expenses line from the Statement of Comprehensive Income is a net income of £ 753k due to Intercompany recharges to ITWP Acquisitions Ltd for a total of £ 939k.

**4 Staff costs**

The employees for the company were the Directors, Mr Frédéric-Charles Petit and Mr Pierre Camagne. The aggregate payroll costs were as follows:

**Notes to the Financial Statements  
For the year ended 31 December 2019**

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Wages and salaries	339	731
Bonus	103	925
Social security costs	71	235
Pension contribution costs	78	123
	<u>591</u>	<u>2,014</u>

**4 Staff costs (continued)**

The bonus and pension contribution costs lines respectively include accrual reversals of £ 276k and £ 6k which explain the difference between staff costs in the P&L and Director's remuneration detailed in Note 4.

**Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services was:

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Remuneration	681	1 417
Company contribution to pension schemes in respect of qualifying services	<u>72</u>	<u>123</u>
	<u>753</u>	<u>1 540</u>

Directors contracts were moved to ITWP Acquisitions Limited on July 1<sup>st</sup> 2019.  
The number of directors who accrued benefits under company pension plans was as follows:

	2019	2018
Money purchase pension schemes	2	2

**Remunerations of the highest paid director in respect of qualifying services:**

**Notes to the Financial Statements  
For the year ended 31 December 2019**

	<b>Year ended 31 December 2019 £'000</b>	<b>Year ended 31 December 2018 £'000</b>
Remuneration	572	1,200
Company contribution to pension schemes in respect of qualifying services	<u>72</u>	<u>107</u>
	<u><b>644</b></u>	<u><b>1,307</b></u>



**Notes to the Financial Statements  
For the year ended 31 December 2019**

**5 Net finance costs**

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Finance income	41	214
Finance costs	(1,512)	(1,843)
	<u>(1,471)</u>	<u>(1,629)</u>

There were no dividends received during 2019 (2018: £ nil).

**6 Taxation**

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Current tax		
UK Corporation tax		
Total tax charge for the year	<u>-</u>	<u>-</u>

The differences between the total tax charge shown above and the amount calculated by applying the effective rate of UK corporation tax for 2019 of 19.00% (2018: 19%) to the loss before tax are as follows:

Loss before tax	<u>(1,203)</u>	<u>(4,659)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	(229)	(885)
Effects of:		
Movement in unrecognised deferred tax	229	885
Total tax charge for the year	<u>-</u>	<u>-</u>

A potential deferred tax asset of £2,194k (2018 - £1,869k) relating to tax losses carried forward, fixed asset timing differences and short-term timing differences has not been recognised on the grounds that there is uncertainty over its recoverability.

Notes to the Financial Statements  
For the year ended 31 December 2019

7 Tangible assets

	Office equipment £'000
<b>Costs</b>	
At 1 January 2019	4
Additions	1
At 31 December 2019	5
<b>Amortisation</b>	
At 1 January 2019	(3)
Charge	(1)
At 31 December 2019	(4)
<b>Net book amount</b>	
At 31 December 2019	1
At 31 December 2018	1

8 Intangible assets

	Software £'000
<b>Costs</b>	
At 1 January 2019	148
Additions	-
At 31 December 2019	148
<b>Amortisation</b>	
At 1 January 2019	(143)
Charge	(5)
At 31 December 2019	(148)
<b>Net book amount</b>	
At 31 December 2019	-
At 31 December 2018	5

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**9 Investments in subsidiary undertakings**

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
<b>Costs</b>		
At 1 January	57,159	57,159
Additions	10	-
At 31 December	57,169	57,159

In 2019, Toluna Group has increased the Toluna Brazil capital by £10k.  
The Company's interest in principal subsidiaries entirely comprises 100% ownership of the ordinary equity shares:

Subsidiary undertakings	Country of incorporations	Principal activity
ToLuna USA Inc.	USA	On-line data collection services
ToLuna Canada Ltd	Canada	On-line data collection services
ToLuna UK Limited	England	On-line data collection services
ToLuna Netherlands BV	Netherlands	On-line data collection services
ToLuna SAS	France	On-line data collection services
ToLuna Germany GmbH	Germany	On-line data collection services
ToLuna Romania SRL	Romania	On-line data collection services
ToLuna Australia Pty Ltd	Australia	On-line data collection services
ToLuna Hong Kong Ltd	Hong Kong	On-line data collection services
ToLuna Japan Ltd	Japan	On-line data collection services
ToLuna India Private Ltd*	India	On-line data collection services
Touna Spain SL	Spain	On-line data collection services
ToLuna Technologies Ltd*	Israel	Research and development
ToLuna Jersey Ltd	Jersey	Holding company
Toluna Cyprus Ltd	Cyprus	Holding company
Toluna Italy	Italy	On-line data collection services
Toluna Dubai	UAE	On-line data collection services
Toluna Brazil	Brazil	On-line data collection services
Toluna Malaysia	Malaysia	On-line data collection services

\* The investment in these companies is partially or totally held through subsidiary undertakings.

All subsidiaries have coterminous accounting reference dates except for:

- ToLuna India Private Limited which has a 31 March accounting reference date,
- ToLuna Australia Proprietary Limited which has a 30 June accounting reference date.

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**10 Trade and other receivables**

	At 31 December 2019 £'000	At 31 December 2018 £'000
Current		
Amounts owed by Group undertaking	2,419	1,205
Other receivables	<u>          </u>	<u>          </u>
	<u>2,419</u>	<u>1,205</u>

Amounts owed by Group undertakings are as follows:

	At 31 December 2019 £'000	At 31 December 2018 £'000
ITWP Acquisitions Ltd	1,975	
ToLuna Brazil	16	16
ToLuna Cyprus Ltd	53	24
ToLuna Germany GmbH		
ToLuna Jersey Ltd	49	36
ToLuna Hong Kong Ltd	0	23
ToLuna UK Ltd	23	93
ToLuna Italy Srl		
ToLuna SAS	63	441
ToLuna Malaysia		5
ToLuna Dubai	229	523
Harris Interactive UK LTD	8	34
ToLuna USA	<u>3</u>	<u>10</u>
	<u>2,419</u>	<u>1,205</u>

Amounts due from group undertakings are unsecured, interest free and are repaid in accordance with the terms specified in the governing distribution agreements.  
The balance with ITWP Acquisitions Ltd is related to 2019 Intercompany recharges on services and salaries.

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**11 Current loans and cash advances – Assets**

	At 31 December 2019 £'000	At 31 December 2018 £'000
<b>Current</b>		
ITWP Acquisitions Ltd*	10,550	10,450
ToLuna USA Inc.	479	1,110
ToLuna SAS	54	908
ToLuna Brazil	93	40
ToLuna Italy Srl	-	-
	<u>11,177</u>	<u>12,508</u>

(\*) On 12 August 2011, the Company lent £10,449,755 to ITWP Acquisitions Limited as per the loan agreement dated 27 April 2011. This loan bears an interest rate of 5% and is repayable at any time. Loan has been increased by £5,855,000 in 2017

**12 Trade and other payables**

	At 31 December 2019 £'000	At 31 December 2018 £'000
<b>Current</b>		
Trade payables	61	749
Amounts owed to Group undertakings	3,484	3,340
Accruals	53	489
	<u>3,598</u>	<u>4,578</u>

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**Note 12 - Trade and other payables (continued)**

Amounts owed to Group undertakings are as follows:

	At 31 December 2019 £'000	At 31 December 2018 £'000
ToLuna SAS	247	352
ToLuna Jersey Ltd	428	441
ToLuna UK Ltd	2,725	2,284
ITWP Acquisitions Ltd	55	255
Harris Interactive UK Ltd	1	
Toluna Romania	0	
ToLuna USA Inc	28	8
	<u>3,484</u>	<u>3,340</u>

**13 Financial instruments**

The Company uses financial instruments, other than derivatives, comprising cash, bank overdrafts and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to finance the Company's subsidiaries' operations. The Company's financial instruments are summarised below.

	2019 Book value £'000	2019 Fair value £'000	2018 Book value £'000	2018 Fair value £'000
Trade and other receivables	2,419	2,419	1,205	1,205
Current loans - Assets	11,177	11,177	12,508	12,508
Cash and cash equivalents	1,996	1,996	259	259
Trade and other payables	3,598	3,598	4,578	4,578
Bank overdraft				
Current loans - Liabilities	18,880	18,880	15,072	15,072

The Company's financial assets are all current and classified as loans and receivables under IAS 39 and are held at an amortised cost.

Current loan assets include accrued interest of £39k and Current Loan Liabilities include accrued interest of £ 3,095k.

At 31 December 2019, the Company had cash resources of £1,996K (2018: £259K).

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**14 Current loans and cash advances - Liabilities**

	At 31 December 2019 £'000	At 31 December 2018 £'000
<b>Current</b>		
ToLuna Cyprus Ltd (a)	718	742
ToLuna Jersey Ltd (b)	539	529
ToLuna UK Ltd (c)	3,912	3,834
Verlinvest SA (d)	2,611	1,217
	<u>7,780</u>	<u>6,322</u>

- (a) Loan of EUR 800,000 with a maturity date of December 31<sup>st</sup> 2021 and an interest rate of EURIBOR 1 Year plus 200 base points. Any amount of the loan then outstanding shall be repaid in full at the maturity date. The Company can prepay all or any part of the loan at any time without any premium or penalty other than breakage costs, if any.
- (b) Promissory note of USD 632,800 with a maturity date of October 1<sup>st</sup> 2020 and an interest rate of 5.5% per annum.
- (c) Loan of GBP 3,250,000 with a maturity date of December 31<sup>st</sup> 2020 and an interest rate of LIBOR GBP 1 Year plus 200 base points. Any amount of the loan then outstanding shall be repaid in full at the maturity date. The Company can prepay all or any part of the loan at any time without any premium or penalty other than breakage costs, if any.
- (d) Accrual of interest on shareholders loan (Verlinvest). See note 15.

**15 Non-current Liabilities**

	At 31 December 2019 £'000	At 31 December 2018 £'000
Verlinvest SA	<u>11,100</u>	<u>8,750</u>
	<u>11,100</u>	<u>8,750</u>

Loan of GBP 11,100,000 with a maturity date of 20<sup>th</sup> December 2021 and an interest rate of 15% per annum.

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**16 Share capital**

	Shares	£'000
<b>Authorised</b>		
Ordinary shares of 1p each		
At 1 January 2019 and 31 December 2019	<u>100,000,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
Ordinary shares of 1p each		
At 1 January 2019 and 31 December 2019	<u>100,000,000</u>	<u>1,000</u>

All shares rank pari-passu in all respect.

**17 Share based payments**

*Equity-settled share option scheme*

No options of the Company were granted during the year to directors and employees of ToLuna Group Limited and of its subsidiaries (2018: none).

**18 Off balance sheet commitment**

A composite guarantee has been given to the bank by ITWP companies (including Toluna Group Ltd). It has been signed on June 2018. Details are included in the financial statements of ITWP Acquisitions Limited (Note 22).

**19 Post balance sheet event**

Toluna Group Ltd is a holding company whose revenues are based on intercompany cost recharges therefore there is no real impact of Covid-19. Covid-19 is a non-adjusting event.

**20 Ultimate parent company and controlling party**

The Company's immediate parent company and controlling party is Toluna Holdings Limited (formerly ITWP Acquisitions Limited, name changed on August 12th 2020), incorporated in England and Wales.

As at 31 December 2019 and as at prior year-end, ToLuna Group Limited was exempt from preparing consolidated accounts and just issued the present individual financial statements. At that date, ITWP Acquisitions Limited fully consolidated ToLuna Group Limited and issued consolidated financial statements which comply with International Financial Reporting Standards.

ITWP is the smallest and largest group in which the company's financial statements are consolidated and these consolidated accounts are available at the registered office of ITWP Acquisitions Limited: 85 Uxbridge Road, London W5 5TH.