

Company Registration Number 01640855 (England and Wales)

IPSOS MORI UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



IPSOS MORI UK LIMITED

COMPANY INFORMATION

Directors

K Beaver
D Truchot
B Page
S Atkinson
J Haworth (resigned 27 March 2023)
G Moore (appointed 27 March 2023)
L Stoclet (resigned 01 October 2022)
B Patrice (appointed 01 October 2022)

Company number

01640855

Registered office

3 Thomas More Square
London
E1W 1YW

Independent auditor

Grant Thornton UK LLP
Chartered Accountants and Statutory Auditors
30 Finsbury Square, London, England,
EC2A 1AG

Bankers

Barclays Bank Plc
355 Station Road
Harrow
Middlesex
HA1 2AN

IPSOS MORI UK LIMITED

CONTENTS

	Page(s)
Strategic report	1 - 6
Directors' report	7 – 10
Independent auditor's report to the members of Ipsos Mori UK Limited	11 -14
Statement of Comprehensive Income	15
Statement of Financial Position	16
Statement of changes in equity	17
Notes to the financial statements	18 - 39

IPSOS MORI UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their Strategic report for Ipsos Mori UK Limited (the “Company”) for the year ended 31 December 2022.

Principal activities and review of the business

The principal activity of the Company is the provision of high-quality market, opinion and attitude research services to clients in a wide variety of areas. The company also acts as an intermediate investment holding company on behalf of its parent Ipsos SA.

In mid-2018 Ipsos implemented a growth led strategy, Total Understanding, reviewing its offer and organisational structure to focus on highly specialised service lines, each of which is targeted to achieve global leadership in its market segment. These services can be combined to provide more value to our clients. Due to this strategy, the business of Ipsos Mori UK Limited has been restructured into the following areas of specialisation, termed as Service Lines, and they are: Audience Measurement, Brand Health Tracking, Creative Excellence, Channel Performance, Healthcare, Innovation, Ipsos Understanding Unlimited (IUU), Market Strategy & Understanding (MSU), Observer, Operations, and Social Intelligence Analytics (SIA).

The results for the Company show a profit for the financial year of £7.6 million (2021: £14.72 million) and revenue of £243.8 million (2021: £221.5 million). Revenue for the financial year is overall increased by £22.3 million due to good performance from in Service Lines especially in Innovation who won a £11.7 million worth of contract with coca cola. The gross profit percentage increased by 2% during the year compared to last year which is mainly driven by revenue growth in MSU, Innovation, and Audience Measurement service lines. Administrative expenses increased by £16.3 million (2021: increased by £10.5 million) as compare to last year mainly due to an increase in payroll related costs in the same service lines because of the additional resources required to carry out the work as result of the revenue growth.

The overall performance of the Company improved in 2022 as compared to the last year and we have seen significant growth in revenues during the year across all of our services lines as the clients continued to increase their spend. However, our profitability declined slightly due to the increase in costs which we had to absorb as price increases were not possible due to the tough market conditions created by Ukraine war. But we were able to offset some of the cost increases as we did more online work which generated a higher gross margin than face to face work. Administrative expenses went up mainly due to the payroll cost as we had to hire more people to support the growth of our business in service lines but were able to offset some of the increase in payroll costs by reducing discretionary spend and careful management of headcount during the year. The company is growing in 2023, excluding COVID work, and has forecasted growth for the future periods.

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

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

IPSOS MORI UK LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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

Key performance indicators (“KPIs”)

The directors manage the business based on various areas of specialisation called service lines as detailed above. Each Service Line uses a number of key indicators closely monitored on a Company and individual specialism basis. These include revenue growth, gross profit and gross profit margin, payroll as a % of gross margin and operating profit and operating profit margin. Individual project and client profitability is also monitored closely. A detailed full year budget by specialisation is prepared at the start of each financial year, and performance against the budget is monitored each month, both by the UK Management Team but also by Ipsos SA. There are regular reforecasts each quarter to update performance against budget, so that timely corrective action can be taken as required.

Principal risks and uncertainties

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

Environmental, Social & Governance (ESG)

We are a company which has been identifying, measuring and analysing the social, political and economic trends shaping the world for over 45 years.

Our ESG engagement is rooted in this knowledge and the conviction that concerted action is necessary to drive sustainable development and build a better world.

Our journey began in 2008, when Ipsos was the first Market Research company to sign the United Nations Global Compact. From training our employees and raising their awareness regarding environmental issues, to promoting gender equality and the cause of refugees, Ipsos has gradually enhanced its investment in ESG and has set ambitious goals for the future.

Created in 2008, our global program covers our 90 markets and sets our goals and actions for the future. Focused on three areas: People, Planet and Society, it is closely monitored by our ESG Committee, composed of Board members who review our policies, reporting tools and the Group's non-financial performance.

As part of the program, the Taking Responsibility Survey is a mandatory survey run in all our markets which measures our progress against the targets set every year by the Strategy and ESG Committee of Ipsos' Board of Directors.

Sensitivity to macro-economic trends

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

Risks relating to industry specific regulations

The Company deals exclusively in market research. The Company’s staff have detailed knowledge of the regulations governing the sector, particularly concerning data protection and dissemination of

IPSOS MORI UK LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

opinion polls. However, it is not certain that the procedures introduced by the company will prevent all possible breaches.

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

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

The business could also be affected by the introduction of privacy legislation, in particular legislation allowing consumers to protect themselves against unsolicited telemarketing. Whilst in general there are no such regulations to cover market research, new laws or regulations or a change of interpretation of the existing laws or regulations by courts could extend this to market research which could have a negative impact on the operations of the Company.

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

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

IT risks

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

Uncertainties arising from economic uncertainty

The global economic uncertainty remains elevated and is weighing on growth due to "successive shocks" that include the cost-of-living crisis and the war in Ukraine. We have already started to see some of the effects on commodity prices, including for energy and food. Global oil prices have increased by 11% and UK wholesale gas prices have increased by 40% since the invasion. These prices have been extremely volatile, reflecting uncertainty about the course of the war and imposition of sanctions.

BOE in its May 2023 report mentioned that the UK-weighted world GDP growth is projected to slow from 3% in 2022, to 1¾% in 2023 and 2024, before rising to just over 2% in 2025. That compares with average annual growth of around 2½% in the decade prior to the pandemic.

IPSOS MORI UK LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Inflation is currently running at over 7.9% and BOE forecast inflation would drop to just over 5% in late 2023 and below its 2% target in early 2025. Sterling is still trading weakly against the major world currencies especially against US dollar which has gained significantly in the recent months after the Ukraine-Russia conflict.

The business of the company has not been affected by the economic downturn as the Company is providing valuable information to the businesses to understand the changing socio-economic landscape in these uncertain times. We have grown in 2022 and will further improve as the UK and other world economies will recover and control inflationary pressures. We do not foresee any permanent impact on the business of the Company due to the recent economic uncertainty.

Financial risk management

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

Liquidity and cash flow risk

The principal risks facing the Company include liquidity and cash flow risk and the Company therefore maintains sufficient available funds for its daily operations. Management in the UK actively monitors all funding requirements for UK Group companies and will manage any finance arrangements needed to meet such requirements. This may result in loans between Group companies being extended beyond original repayment dates or repaid prior to original due dates.

Foreign exchange risk

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

The Company has incurred losses of £3.49 million in 2022 (2021: £2.13 million) on foreign currency exchange due to the weak trading of sterling against major world currencies. Gains of £5.9 million (2021: £1.1 million) have also been made where billings to clients are in foreign currencies. The Company will continue to adhere to Group policies and monitor market conditions to adapt policies to mitigate foreign currency exchange losses if needed.

Interest rate risk

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

Section 172 Reporting

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

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

IPSOS MORI UK LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

General confirmation of Directors' duties

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

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

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

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

S172(1) (B) "The interests of the company's employees"

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

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

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

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

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

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

S172(1) (D) "The impact of the company's operations on the community and the environment"

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

IPSOS MORI UK LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

- **Volunteering:** All employees have two fully paid days a year to dedicate to a cause of their choice. The senior leadership of Ipsos actively support and encourage all staff to use these days and make a difference in the community.
- **Fundraising:** Ipsos will match money raised for charity from employees (up to £200). Globally, we also have the Ipsos foundation which provides grants to employee-sponsored causes related to education access for refugees and migrants.
- **Environment:** Ipsos is a full member of the United Nations Global Compact which requires us to monitor, set and achieve environmental targets. Sustainable behaviour is supported locally through cycle to work schemes, interest free loans on public transport season tickets, office recycling points and the use of energy efficient electronics to name a few actions.
- **Support for schools:** Ipsos MORI in the UK has a relationship in association with Business in the Community (BITC), with the City of London Academy and the Wembley Ark Academy. We provide long-term support to pupils, teachers and administration staff through CV clinics, apprenticeships, mentoring, work experience, consultancy and event hosting.

For more information, please see the Ipsos MORI website.

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

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

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

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

On behalf of the board

Gary Moore

Gary Moore

Director

Date: 27/7/2023

IPSOS MORI UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their Annual Report and Audited Financial Statements for Ipsos Mori UK Limited for the year ended 31 December 2022.

Results and dividends

The results for the financial year are set out on page 15 and in the Strategic report.

The Company paid a dividend of GBP 3 million to its immediate parent company (2021: GBP 13.5 million) during the year.

Future developments

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

In addition to maintaining relationships with existing key clients, the Company is looking to expand its sector coverage, especially of pharmaceutical and financial services businesses, but also the type of work that the Company does. There is an increased focus on Evaluation and Advisory work as well as Employee Engagement and Feedback. Data collection methodology is also changing, with an increasing move to online, which provides further opportunities for the Company. The importance of IT and platforms is also increasing, as the Company continues to work with a number of platform specialists to enhance and improve the Company offer.

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

Directors

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

K Beaver
J Haworth (resigned 27 March 2023)
G Moore (appointed 27 March 2023)
D Truchot
B Page
S Atkinson
L Stoclet (resigned 01 October 2022)
B Patrice (appointed 01 October 2022)

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitude and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and the appropriate training is arranged. It is the policy of the Company that the training, career

IPSOS MORI UK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Statement of directors' responsibilities

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

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

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

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

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditor

The Directors confirm that:

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

Qualifying third party indemnity provisions

During the year to 31 December 2022 and up until the date of signing the report, the Company maintained liability insurance for its directors and officers. Following shareholder approval in July 2005, the Company has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

IPSOS MORI UK LIMITED**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****The environment scope of disclosures**

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

Consumption in metric tonnes CO2e	2022	2021
Scope 1 – direct emissions	1,940	2,104
Scope 2 – indirect emissions	26	18
Scope 3 – other indirect emissions	1,269	710
Total consumption in metric tonnes CO2e	3,235	2,832
Energy usage in kWh	3,095,247	2,807,460

Efficiency ratio:

	2022	2021
Emissions in metric tonnes CO2e per UK employee	1.69	1.72

Methodology

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

During FY22, IPSOS MORI and related group undertaking have occupied six separate offices in the UK. We have used reasonable estimates to calculate our energy usage.

Energy efficient action taken

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

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

IPSOS MORI UK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern

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

The performance of the Company improved in 2022 as compared to the last year although the economy was badly hit by the effects of the Russia-Ukraine war and high inflation seen around the world including UK.

We have seen significant growth in revenues during the year across all of our services offered as the clients continued to increase their spend. However, our profitability declined due to the increase in costs which we had to absorb as price increases were not possible due to the adverse conditions created by the economic uncertainty. But we were able to offset some of the cost increases as we did more online work which generated a higher gross margin than face to face work. Administrative expenses went up mainly due to the payroll cost as we had to hire more researchers to support the growth of our business but were able to offset some of the increase in payroll costs by reducing discretionary spend and careful management of headcount during the year. The company is growing in 2023, excluding COVID work, and has forecasted growth for the future periods.

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

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

Post balance sheet events

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

Independent auditor

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

The financial statements on pages 18 to 39 were approved by the board of directors on 27/7/2023 and signed on its behalf by

Gary Moore
.....

Gary Moore

Director

Date: 27/7/2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS MORI UK LIMITED

Opinion

We have audited the financial statements of Ipsos Mori UK Limited (the 'company') for the year ended 31 December 2022, which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS MORI UK LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

Matters on which we are required to report by exception

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

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

Responsibilities of directors

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS MORI UK LIMITED

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and industry in which they operate through our general, commercial and sector experience, discussions with management and inspection of board minutes. We determined that the following laws and regulations were most significant: Financial Reporting Standard 101 'Reduced Disclosure Framework' and Companies Act 2006.
- We enquired of management concerning the company's policies and procedures relating to:
 - The identification, evaluation and compliance with laws and regulations;
 - The detection and response to the risks of fraud; and
 - The establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - identifying and testing journal entries, in particular, journal entries with characteristics that meet certain criteria assessed as higher risk; and
 - assessing the extent of compliance with the relevant laws and regulations that are of significance as part of our audit procedures.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation.
 - knowledge of the industry in which the client operates; and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSOS MORI UK LIMITED

- understanding of the legal and regulatory requirements specific to the company, including the provisions of the applicable legislation.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Use of our report

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

Grant Thornton UK LLP

Nicholas Page
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: 27/7/2023

IPSOS MORI UK LIMITED
Statement of Total Comprehensive Income
 Financial year ended December 31, 2022

	Notes	31/12/2022 £'000	31/12/2021 £'000
Revenue	2	243,830	221,502
Cost of sales		(123,362)	(116,796)
Gross profit		<u>120,468</u>	<u>104,706</u>
Other Income		-	56
Administrative expenses	3	(102,500)	(86,248)
Impairment	10, 13	(6,547)	-
Operating profit		<u>11,421</u>	<u>18,514</u>
Finance costs	4	(48)	(91)
Finance income		2	12
Profit before tax		<u>11,375</u>	<u>18,435</u>
Tax Expense	5	(3,737)	(3,705)
Profit for the financial year		<u>7,638</u>	<u>14,730</u>
Other comprehensive income		-	-
Total comprehensive income for the financial year		<u><u>7,638</u></u>	<u><u>14,730</u></u>

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

The notes on pages 18 to 39 form an integral part of these financial statements.

IPSOS MORI UK LIMITED
Company Registration Number 01640855 (England and Wales)

Statement of financial position

	Notes	31/12/2022 £'000	31/12/2021 £'000
ASSETS			
Goodwill	6	18,061	18,061
Right-of-use assets	7	1,765	2,578
Property, plant and equipment	8	706	837
Other intangible assets	9	461	666
Investments	10	-	3,386
Deferred tax assets	11	922	850
Non-current assets		21,915	26,378
Trade receivables	12	37,193	45,513
Other current assets	13	79,345	63,490
Cash and cash equivalents		8,721	9,860
Current assets		125,259	118,863
TOTAL ASSETS		147,174	145,241
LIABILITIES AND EQUITY			
Share capital	14	1,300	1,300
Other reserves		1,377	913
Retained earnings		26,909	22,439
Equity		29,586	24,652
Lease liabilities	7	1,060	1,827
Non-current provisions	17	957	978
Non-current liabilities		2,017	2,805
Trade payables	15	7,719	6,844
Lease liabilities	7	768	1,260
Current taxes		-	3,225
Other current liabilities	16	107,084	106,455
Current liabilities		115,571	117,784
TOTAL LIABILITIES AND EQUITY		147,174	145,241

The financial statements were approved by the Board and authorised for issue on 27/7/2023

The notes on pages 18 to 39 form an integral part of these financial statements.

Gary Moore
 Gary Moore
 Director
 Date: 27/7/2023

IPSOS MORI UK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

In thousands of pounds	Called up share capital	Other reserves	Retained earnings	Total shareholder's funds
Position at January 1, 2021	1,300	904	21,189	23,394
Other movements				
- Share base payment (SBP)	-	9	20	29
Profit for the financial year	-	-	14,730	14,730
Dividend paid during the year	-	-	(13,500)	(13,500)
Position at December 31, 2021	1,300	913	22,439	24,652
Position at January 1, 2022	1,300	913	22,439	24,652
Other movements				
- Share base payment (SBP)	-	464	(168)	296
Profit for the financial year	-	-	7,638	7,638
Dividend paid during the year	-	-	(3,000)	(3,000)
Position at December 31, 2022	1,300	1,377	26,909	29,586

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

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

The expenses recognised in respect of free share plans amounted to £1,092,210 (2021: £832,055), which is credited to other reserves. We received request from Ipsos SA to pay the cost of free shares vested during the year amounted to £785,139 (2021: £802,963) which was debited against other reserves.

To the extent that the share price at the vesting date is (lower)/higher than the share price at the date of the grant, the (gain)/loss is taken to the Statement of comprehensive income, being a loss of £167,776 (2021: £19,712).

IPSOS MORI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

General information

Ipsos Mori UK Limited is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is 3 Thomas More Square, London, E1W 1YW.

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

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

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

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

(b) Going concern

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

The performance of the Company improved in 2022 as compared to the last year although the economy was badly hit by the effects of the Russia-Ukraine war and high inflation seen around the world including UK.

We have seen significant growth in revenues during the year across all of our services offered as the clients continued to increase their spend. However, our profitability declined due to the increase in costs which we had to absorb as price increases were not possible due to the adverse conditions created by the economic uncertainty. But we were able to offset some of the cost increases as we did more online work which generated a higher gross margin than face to face work. Administrative expenses went up mainly due to the payroll cost as we had to hire more researchers to support the growth of our business but were able to offset some of the increase in payroll costs by reducing discretionary spend and careful management of headcount during the year. The company is growing in 2023, excluding COVID work, and has forecasted growth for the future periods.

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

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

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

(c) Exemption under FRS 101

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

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

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

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022 that have a material impact on the company's financial statements.

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

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

(ii) Transactions and balances

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

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

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

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

(f) Revenue recognition

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

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

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

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

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

(g) Employee benefits

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

i. Short term benefits

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

ii. Defined contribution pension plans

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

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

iii. Share based payments

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

In accordance with IFRS 2, share-based payments, services received from employees that are compensated through stock option plans are recognised under payroll costs, with a balancing entry consisting of an increase in equity, over the vesting period. The expense recognised in each period corresponds to the fair value of goods and services received. To assess the staff costs deriving from the options, Ipsos uses the Black-Scholes model on the grant date and the principal assumptions are set out in note 20. All stock options awarded after November 7, 2002 and non-vested at the start of the period are taken into account.

iv. Long-service benefits

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

(h) Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

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

(ii) Deferred income tax

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

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

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

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

IPSOS MORI UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

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

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

(i) Property, plant and equipment and depreciation

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

Straight line annual rates of depreciation most widely used are:

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

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

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

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

(j) Other intangible assets and amortisation

Separately acquired intangible assets are stated on the balance sheet at acquisition cost less accumulated amortisation and any impairment losses.

Intangible assets acquired as part of a business combination are recognised at fair value on the date of acquisition, separately from goodwill, where they meet one of the following two conditions:

- They are identifiable, i.e. they arise from contractual or other legal rights;
- They are separable from the acquired entity.

Intangible assets mainly comprise software and the amortisation is recognised in the income statement under "Amortisation of intangible assets".

The company amortises intangible assets with a limited useful life, using the straight-line method over the following periods:

- Software 3-5 years

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

(k) Research and development

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

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

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

Capitalised software includes software for internal use, as well as software for commercial use, measured at acquisition cost (external purchase) or at production cost (internal development).

These intangible assets are amortised on a straight-line basis over periods corresponding to their expected useful lives, i.e.:

- For software: 3 to 5 years;
- For development costs: varies according to the economic life of each specific development project.

(l) Lease Transactions**Leases**

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

Company as lessee

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

Company as lessor

Leases in which the company transfers substantially all the risks and rewards incidental to right-of-use assets are classified as finance leases. As an intermediate lessor, the Company derecognises the right-of-use asset relating to the head lease it transfers to the sublessee, and recognises the net investment in the sublease, which is shown within other receivables.

(l(i)) Right-of-use assets

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

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

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

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

(l)(ii) Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. As permitted by IFRS 16, the company uses an incremental borrowing rate, from an external provider, to calculate the lease liabilities. The weighted average incremental borrowing rate applied to right-of-use lease liabilities recognised in the statement of financial position at the date of initial application was 1.9%. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

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

Variable lease payments and low value assets

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

(m) Impairment of non-financial assets

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

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

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

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

(n) Investments

Investments are initially recognised at cost and thereafter are carried in the balance sheet at cost less any impairment in value. All the investments are subject to an impairment review at any time if events or changes in circumstances indicate that their carrying value may not be recoverable.

(o) Cash and cash equivalents

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

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

(p) Trade receivables

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

(q) Financial instruments

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

(i) Classification

The Company classifies its financial assets in the following categories:

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

Financial liabilities are classified in the following categories:

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

(ii) Measurements

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

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

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

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

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

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

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

(iii) Impairment

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

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

(iv) De-Recognition

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

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

(v) Offsetting

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

(r) Goodwill and business combinations

In accordance with IFRS 3 (Revised), business combinations are recognised under "Business combinations" using the purchase method. When a company is acquired, the buyer must recognise identifiable acquired assets, liabilities and contingent liabilities at their fair value on the acquisition date, if they satisfy the IFRS 3 (Revised) accounting criteria.

Goodwill corresponds to the sum of the consideration transferred minus the net amount recognised for identifiable assets and liabilities assumed from the acquired entity on the acquisition date and is recognised as an asset under Goodwill. It chiefly comprises non-identifiable items such as know-how and industry expertise of staff. Negative goodwill is immediately recorded in profit or loss.

Goodwill is allocated to Cash-Generating Units (CGUs) for the purposes of impairment tests. Goodwill is allocated to the CGUs liable to benefit from the synergies created by business combinations and representing for the Company the lowest level at which goodwill is measured for internal management purposes.

A CGU is defined as the smallest identifiable group of assets that generates cash and cash equivalents largely independent of cash and cash equivalents generated by other assets or groups of assets.

Goodwill is recognised in the functional currency of the acquired entity.

Acquisition costs are immediately charged against income when they are incurred.

Goodwill is not amortised and is instead tested for impairment at least once a year by means of a comparison of the carrying amounts and the recoverable amount at the reporting date, on the basis

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

of projected cash flows based on business plans covering future years. Testing may be carried out more frequently if events or circumstances indicate that the carrying amount is not recoverable. Such events or circumstances include but are not restricted to:

- A significant difference in the economic performance of the asset compared with the budget;
- Significant deterioration in the asset's economic environment;
- The loss of a major client;
- A significant increase in interest rates.

Details of impairment tests can be found in Note 6 on goodwill. In the event of impairment, the impairment loss taken to profit or loss is irreversible.

(s) Distinction between current and non-current items

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

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

(t) Provisions

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

This obligation may be legal, regulatory or contractual.

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

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

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

(u) Contractual assets and liabilities

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

(v) Rounding of amounts

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

IPSOS MORI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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

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

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

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

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

Revenue recognition

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

Leases

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

(w-ii) Critical accounting estimates and assumption

Leases

The discount rates applied as of the date of transition are based on the Company's incremental borrowing rate plus a spread to reflect the specific economic environments in each country. These discount rates were determined having regard to the remaining lease terms as from the date of first application. These discount rates are reviewed every six months. There was no significant change in the second half of 2022.

Useful economic lives of property, plant and equipment

The annual amortisation or depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are assessed annually. They are amended when necessary to reflect current estimates, based on technological advancements, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of property, plant and equipment and note 1(j) for the useful economic lives for each class of asset.

Impairment of trade receivable

The company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the receivables and associated impairment provision.

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022***Goodwill and Investment*

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets like Investment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. For more details please refer to note 6.

Recognition of deferred tax assets

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that there will be suitable tax profits from which the future reversal of the underlying timing differences can be deducted. Management's assessment of the likelihood of future tax profits is based on knowledge and performance of the business and historical experience. See note 11 for the deferred tax asset recognised.

2 Revenue		
Geographical market	2022	2021
	£ '000	£ '000
United Kingdom	134,515	158,739
Rest of World	109,315	62,763
	243,830	221,502

The Company has one class of business being that of survey-based market research.

3 Operating profit	2022	2021
	£ '000	£ '000
Operating profit is stated after charging:		
Payroll costs - share-based payments (Note 20)	1,092	832
Payroll costs – excluding share-based payments	75,300	65,166
Social security costs	7,798	5,989
Other pension costs (Note 18)	3,613	2,978
Apprenticeship Levy	345	280
Severance pay	410	435
Depreciation of Property, plant & Equipment (Note 8)	264	297
Amortisation of intangible assets (Note 9)	232	238
Foreign currency (gains)/losses	(2,412)	1,041
Depreciation right of use asset	813	686
Other administrative expenses	14,896	8,176
Impairment	6,347	-
Fees paid to company auditors:		
Audit of the Company financial statements	121	102
non-audit services (interim review)	28	28

IPSOS MORI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Finance Cost	2022	2021
	£ '000	£ '000
Interest Payable and similar Charges	-	18
Interest on lease liabilities	48	73
	48	91
Interest Receivable and similar income	2	12
5 Tax Expense	2022	2021
	£ '000	£ '000
<i>Current tax</i>		
UK corporation tax	1,585	3,690
Adjustments in respect of prior years	(25)	(718)
Payment in respect of group relief	2,170	758
Foreign tax	79	293
Total current tax charge	3,809	4,023
<i>Deferred tax</i>		
Deferred tax charge	(275)	(296)
Adjustments in respect of prior years	203	(22)
Total deferred tax credit (Note 11)	(72)	(318)
Tax on profit	3,737	3,705

The tax assessed for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%)

Factors affecting the tax charge for the year	2022	2021
	£ '000	£ '000
Profit before taxation	11,375	18,435
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax 19% (2021: 19%)	2,161	3,503
Effects of:		
Non-deductible expenses	1,363	15
Other temporary differences	-	-
Capital allowances	(4)	5
Other tax adjustments	(65)	(194)
Transfer pricing adjustment on intercompany balances	44	64
Adjustments in respect of prior years	236	308
Foreign tax	2	4
Total tax charge for the year	3,737	3,705

In October 2022, the government announced that the main rate of corporation tax will jump from 19% to 25% with effect from 1 April 2023. This means that the normal rate of corporation tax is 19% for the financial year beginning 1 April 2022 and will increase to 25% for the financial year beginning 1 April 2023.

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****6 Goodwill**

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired.

Goodwill is allocated to cash generating units (CGUs) represented by the legal entity. The value in use of the CGUs is determined using a number of methods, among them the DCF (discounted cash flow) method using:

- The four-year cash flow projections calculated on the basis of the business plans of these CGUs over the 2023-2027 period excluding acquisitions and restructuring. These business plans are based, for 2022, on the budgetary data approved by the Board of Directors.
- After these five years, the terminal value of cash flows is obtained by applying a long-term growth rate to the end of period normative flow. The latter may not exceed the average long-term growth rate of the Company's business sector.
- Future cash flows are discounted using weighted average cost of capital (WACC) before tax determined individually for each CGU

Ipsos management performed goodwill impairment test using the DCF method at December 31st 2022. It was concluded that the recoverable amount of goodwill allocated to each cash-generating units exceeded its carrying value.

The principal assumptions used for the goodwill impairment tests conducted on each group of cash-generating units were as follows.

Cash Generating units	2022					2021				
	Gross amount of goodwill	Growth Rate in 2023	Growth rate in 2024-2026	Growth rate in 2027 and beyond	Discount rate before tax	Gross amount of goodwill	Growth Rate in 2022	Growth rate in 2023-2025	Growth rate in 2026 and beyond	Discount rate before tax
UK	18,061	-1.7%	3.0%	2.0%	8.0%	18,061	-5.8%	3.0%	2.0%	7.2%

Sensitivity of DCF value in use of goodwill

Sensitivity analysis performed on the discount rate and the growth rate used in the goodwill impairment test did not indicate any impairment to the carrying value of the goodwill.

7. Right-of-use assets and lease liabilities

The company has lease contracts for buildings, vehicles used in its operations. The lease terms for property range between 3 and 12 years, while vehicles have lease terms between 2 and 3 years, The Company applies judgement in evaluating whether or not to exercise any options to renew or terminate any lease. The current portions of the leases have been determined to be the interest and principal payments due over the next 12 months.

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****7.1 Right-of-use assets**

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

The carrying amounts of the right-of-use assets recognised and the movements during the period are as follows:

Right-of-use assets	Buildings £'000	Vehicles £'000	Total £'000
Cost:			
At 1st January 2022	2,573	5	2,578
Additions	-	-	-
Depreciation Expense	(811)	(2)	(813)
At 31 December 2022	1,762	3	1,765

7.2 Lease liability

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

Lease Liability	Buildings £'000	Vehicles £'000	Total £'000
Cost:			
At 1st January 2022	3,086	1	3,087
Movement in the year	(1,259)	-	(1,259)
At 31st December 2022	1,827	1	1,828
Current	1,059	1	1,060
Non-current	768	-	768

7.3 Impact of leases on statement of comprehensive income

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

	2022
	£'000s
Depreciation expense of right-of-use assets	812
Interest expense on lease liabilities	48
Total amount recognised in the Statement of Comprehensive Income	860

IPSOS MORI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Property, plant and equipment

	Fixture, fittings and equipment £'000	Leasehold Improvements £'000	Total £'000
Cost:			
At 1st January 2022	2,395	222	2,617
Additions	170	-	170
Asset transfer via merger	53	-	53
Adjustment	(42)	-	(42)
Disposal	(9)	-	(9)
At 31st December 2022	2,567	222	2,789
Depreciation:			
At 1st January 2022	1,650	131	1,781
Depreciation charge for the year	237	27	264
Asset transfer via merger	47	-	47
Disposal	(9)	-	(9)
At 31st December 2022	1,925	158	2,083
Net book amount at 31st December 2022	642	64	706
Cost:			
At 1st January 2021	2,242	217	2,459
Additions	153	5	158
Disposal	-	-	-
At 31st December 2021	2,395	222	2,617
Depreciation:			
At 1st January 2021	1,378	106	1,484
Depreciation charge for the year	272	25	297
Disposal	-	-	-
At 31st December 2021	1,650	131	1,781
Net book amount at 31st December 2021	745	91	836

IPSOS MORI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Other intangible assets	Software £'000	Total £'000
Cost:		
At 1st January 2022	1,162	1,162
Additions through asset transfer	33	33
Disposal	-	-
At 31st December 2022	1,195	1,195
Amortisation:		
At 1st January 2022	496	496
Amortisation during the year	232	232
Amortisation of transferred asset	6	6
At 31st December 2022	734	734
Net book amount	461	461

	Software £'000	Total £'000
Cost:		
At 1st January 2021	1,162	1,349
Additions	-	-
Disposal	-	-
At 31st December 2021	1,162	1,162
Amortisation:		
At 1st January 2021	258	258
Amortisation during the year	238	238
Disposal	-	-
At 31st December 2021	496	496
Net book amount	666	666

amortisation is included within administrative expenses in the statement of comprehensive income

10 Investments	Shares in subsidiary and associated undertakings £ '000
Cost	
At 1 January 2022	3,386
Addition during the year	-
At 31 December 2022	3,386
Provisions for impairment in value	
At 1 January 2022	-
Charge for the year	3,386
At 31 December 2022	3,386
Net book amount	
At 31 December 2022	-
At 31 December 2021	3,386

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

The company performs an impairment test at the end of each reporting period to assess whether the carrying value of the investment exceeds its recoverable amount. The similar test was performed for the period ending 31 December 2022 and it was identified that investment in Big Sofa Technologies should be fully impaired because of the loss of their substantial business owing to the adverse economic conditions prevailing in the country which resulted in severe cashflow issues and the survival of the company is highly doubtful.

The impairment loss of £3.39 million is booked to the profit and loss during the year. We are not expecting any recovery of our investment.

11 Deferred tax

	2022	2021
	£ '000	£ '000
The deferred tax asset is made up as follows:		
At 1 January	850	532
Credited to statement of comprehensive income	72	318
Balance at 31 December	922	850
	2022	2021
	£	£
Capital allowances	190	208
Other temporary differences	732	642
	922	850

The net deferred tax asset primarily relates to the reversal of temporary differences on acquired intangible and tangible assets and capital allowances through depreciation and amortisation, offset by expected tax deductions when payments are made to utilise provisions.

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

12 Trade receivables

	2022	2021
	£ '000	£ '000
Gross amount	37,193	45,513
Net amount	37,193	45,513

During the year, there has been no bad debt (2021: none)

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****13 Other current assets**

	2022	2021
	£ '000	£ '000
Amounts owed by Group undertakings	52,467	40,036
Other debtors	791	691
Prepayments	7,831	8,003
Contract assets	18,256	14,760
Total	79,345	63,490

Amounts owed by Group undertakings are unsecured, interest free and are repayable on demand, all balances are recoverable. The amounts owed to group undertaking is after the impairment of £2.96 million (2021: none) of balance owed from one of the group entities.

14 Called up share capital

	2022	2021
	£ '000	£ '000
Authorised		
1,410,000 (2021: 1,410,000) Ordinary shares of £1 each	1,410	1,410
1 (2021: 1) 'B' shares of £1 each	-	-
	1,410	1,410
Allotted, issued and fully paid		
1,300,000 (2021: 1,300,000) Ordinary shares of £1 each	1,300	1,300
1 (2021: 1) 'B' shares of £1 each	-	-
	1,300	1,300

The "B" share carries the right to vote at general meetings equivalent to 25% of the voting rights of Ordinary shares. The "B" share also carries the right to 25% of any distributions. On winding up, the "B" share will carry rights equivalent to ordinary shares.

15 Trade Payables

	31/12/2022	31/12/2021
	£ '000	£ '000
Trade Payables	7,719	6,844
Total	7,719	6,844

IPSOS MORI UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****16 Other current liabilities**

	31/12/2022	31/12/2021
	£ '000	£ '000
Amounts owed to group undertakings	41,124	32,162
Social security	1,200	1,395
Other creditors	7,335	9,419
Accruals	37,465	41,572
Contract liabilities	14,684	17,265
VAT Payable	3,348	4,642
Other current liabilities	1,928	-
Total	107,084	106,455

17 Non-current provisions

£'000	Amount at 01/01/2022 £'000	Increases	Reversal of provisions used	Other reclassifications	Amount at 31/12/2022 £'000
Provisions for other liabilities and charges	978	416	(437)	-	957
Total	978	416	(437)	-	957

These are deferred rent provision and will be released over the life of the lease.

18 Pension costs

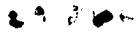
The Company runs a defined contribution scheme for pension. The cost of contributions to the defined contribution scheme amounts to £3,612,537 (2021: £2,977,861). There is outstanding contribution as of December 2022 £44,062 (2021: 113,535).

19 Share based payments

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

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

Grant date	28 May 2020
Number of Shares outstanding as at 31 December 2022	54,305
Number of beneficiaries at 31 December 2022	94
Expiry date of vesting period	28 May 2023


IPSOS MORI UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022
19 Share based payments (continued)

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

Grant date	31 Mar 2021
Number of Shares outstanding as at 31 December 2021	16,882
Number of beneficiaries at 31 December 2021	30
Expiry date of vesting period	31 Mar 2024

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

Grant date	27 May 2021
Number of Shares outstanding as at 31 December 2021	37,379
Number of beneficiaries at 31 December 2021	103
Expiry date of vesting period	27 May 2024

On 17 May 2022, the Board of Directors of Ipsos SA set up a new free share plan covering a total of 443,812 shares in the Group for the benefit of officers, directors, and employees of the Ipsos Group. These shares will vest with the beneficiaries only after a period of three years, provided that the beneficiary is still an employee, officer or director of the Ipsos Group at the end of this period.

Grant date	17 May 2022
Number of Shares outstanding as at 31 December 2022	39,019
Number of beneficiaries at 31 December 2022	126
Expiry date of vesting period	17 May 2025

To assess the staff costs deriving from options, Ipsos uses the Black & Scholes model, the principal assumptions of which are as follows:

Grant date	28 May 2020	31 March 2021	27 May 2021	17 May 2022
Share price on grant date	€21.50	€32.55	€32.75	€44.35
Fair value of the share	€19.04	€29.46	€29.66	€40.25
Risk-free interest rate	-0.29%	-0.45%	-0.40%	0.91%
Dividends	0.74	0.90	0.90	0.83



IPSOS MORI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

20 Directors' emoluments	2022 £ '000	2021 £ '000
Emoluments for qualifying services	229	195
Company pension contributions to money purchase schemes	-	-
	229	195

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2021: 0).

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

	2022 £ '000	2021 £ '000
Emoluments for qualifying services	229	195
Company pensions contributions to money purchase schemes	-	-
	229	195

Share options and free shares exercised by the highest paid director realised a gain of £28,757 during the year (2021: £19,134).

Share options and free shares exercised by 1 (2021: 1) directors realised a gain of £28,757 (2021: £19,134) during the year. Share options and free shares received during the year by 5 (2021: 5) directors were under long term incentive schemes.

D Truchot, B Page, L Stoclet, K Beaver, and S Atkinson do not receive emoluments from the Company and are paid by other Group companies.

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

21 Employees

Number of employees

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

	2022 Number	2021 Number
Research and administration	1,431	1,204
	1,431	1,204

22 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Ipsos SA. 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 groups of undertakings to consolidate these financial statements at 31 December 2022. The consolidated financial statements of Ipsos SA are available online and from 35 rue du Val de Marne, Paris, 75013, France.