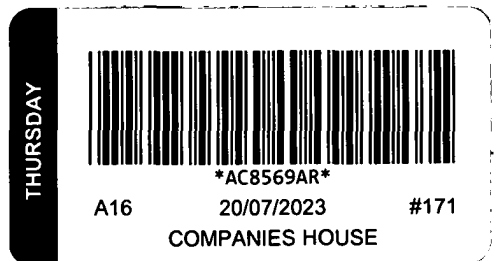


Company registration number 12106454 (England and Wales)

OXFORD ECONOMICS GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022



OXFORD ECONOMICS GROUP LIMITED

COMPANY INFORMATION

Directors

Mr J Walker
Mr C Burton
Mr A Cooper

(Appointed 1 August 2022)

Company number

12106454

Registered office

Abbey House
121 St Aldate
Oxford
OX1 1HB

Auditor

Townends Accountants LLP
Chartered Accountants & Statutory Auditor
Fulford Lodge
1 Heslington Lane
YORK
YO10 4HW

OXFORD ECONOMICS GROUP LIMITED

CONTENTS

	Page
Strategic report	1 - 5
Directors' report	6 - 8
Independent auditor's report	9 - 12
Group income statement	13
Group statement of comprehensive income	14
Group statement of financial position	15 - 16
Group statement of changes in equity	17 - 18
Group statement of cash flows	19
Notes to the group financial statements	20 - 49
Parent company statement of financial position	50
Parent company statement of changes in equity	51
Notes to the parent company financial statements	52 - 53

OXFORD ECONOMICS GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JULY 2022

The directors present the strategic report for the year ended 31 July 2022.

Business review

Oxford Economics Limited provides independent forecasting and analysis tailored to the needs of economists and planners in government and business. It is now one of the world's leading providers of economic analysis, advice and models, with over 2,500 clients including international organisations, government departments and central banks in many countries, and a large number of multinational bluechip companies across the whole industrial spectrum.

The Group's services include:

- International macroeconomic, sectoral and regional forecasts - with country briefing reports covering 200 countries; detailed projections for over 100 sectors; and forecasts for over 7,000 local areas globally.
- Economic impact assessments - analysing the economic and social contributions of particular sectors, investment projects or tax proposals.
- Economic policy advice - on a range of macro and micro issues.
- Thought leadership - drawing on a full array of quantitative and qualitative research methods - from expert panels and corporate interviews to market surveys and impact analysis - to create actionable decision support for executives and policymakers.
- Bespoke econometric modelling - building detailed forecasting and simulation models and training clients' staff to use them to support budget planning and policy decision-making.
- Detailed market analysis - translating the Company's economic forecasts into forecasts for market segments and providing advice on marketing opportunities.
- Briefings for ministers, senior officials and executives - both presentations and tailored written reports on key economic issues.
- Outsourced economics support - providing data, modelling, briefing and policy advice.

OXFORD ECONOMICS GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and short-term deposits. The main purpose of these financial instruments is to manage the Group's funding and liquidity requirements. The Group has other financial assets and liabilities such as trade receivable and trade payables, which arise directly from its operations. The principal financial risks to which the Group is exposed are those of liquidity, foreign currency and trade receivables.

Liquidity risk

The Group manages liquidity risk by careful management of cash resources and its accounts receivable. In addition, it has access if required to loans from Directors, which are sufficient to meet anticipated funding requirements. Liquidity risks are reviewed regularly as part of the day-to-day management of the business.

Foreign currency risk

The Pound Sterling is the Group's main currency but it also has significant revenues in US dollars and Euros. Exposures are managed against Sterling accordingly. Surplus cash generated by business units is substantially converted to, and held centrally, in Sterling. As a result, operating profit and total cash will be affected by movements in exchange rates. However, the Group also has significant costs in US dollars, Euros, Singapore dollars and Australian dollars, and these provide some inherent hedge against currency movements. Monitoring of currency exposures is undertaken on a regular basis, and futures contracts are used to hedge a significant proportion of currency risk.

Trade and other receivables

Trade receivable exposures are carefully monitored, with a vigorous management of outstanding debtors. The Group's clients are typically of very high standing and bad debts have historically been very small.

OXFORD ECONOMICS GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

Analysis of development and performance

Despite the uncertainties impacting the global economy - including the continuing effects of the COVID pandemic, the impact of the Russian invasion of Ukraine, high inflation and rising interest rates - the Company's client base and operations have continued to grow strongly over the last year, with turnover up by 37.85% in the year to 31 July 2022. The geopolitical and macroeconomic uncertainties led to increased demand for the Group's services from clients seeking to understand their implications, and provided a clear demonstration that the data and analysis the Group provides are business-critical. Fortunately, while some employees contracted COVID, none was seriously ill, and the workforce has grown over the last year. The Group's services are largely delivered digitally and the substantial investment made in technology in recent years has meant that staff have been able to continue work remotely where necessary without any disruption to the Group's ability to support clients.

Other notable achievements over the last year include:

- Continued strong performance in terms of new subscription sales. This is a reflection of both the Group's strong product offering and further investment made in expanding the salesforce and digital marketing to generate inbound leads.
- Continued very high renewal rates for subscription revenues, which is a sign of the quality of the products and client support provided.
- Continued strong upselling of existing clients to additional services. This includes both existing users taking a wider range of our services and also an increase in the number of users with client organisations.
- Further strengthening of the Group's team of professional economists and analysts. The Group now has around 350 economists/analysts, spread across all regions of the world.
- Continued development of the Group's media and social media presence, strengthening the reputation and recognition of the Group's brand.

The Group is continuing to invest in economists, sales & marketing and IT. Important services recently introduced or in development include:

- The Real Estate Economics Service, helping companies to understand the implications of macroeconomic, geopolitical, financial and climate change developments on private and public real estate performance.
- The Global Construction Service, providing forecasts for a range of building activity indicators regular and reports that outline key drivers of the construction industry, used by industry leaders across all key regions to inform strategic decisions and forward planning.
- Enhancement of the modelling of the effects of Climate Change on the performance of different economies, including detailed scenarios at an industry and city level.
- TradePrism, a new subscription service offering detailed, product-level forecasts of trade between 46 major economies, and high-level indicators for an additional 137 economies.
- Cruise-IP, which provides detailed, high frequency insights on cruise ship deployment, passenger volumes, and pricing across 3,000 ports and destinations.
- New data visualisation tools using PowerBI and Tableau, to improve the way in which Oxford Economics' data is displayed to clients. These tools allow clients to interact with the data in more intuitive ways and to download infographics, charts and tables to use in their own reports.

As a result, the business is expected to continue to grow in coming years, with both a deepening of work undertaken on behalf of existing clients and a broadening of the client base.

OXFORD ECONOMICS GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

Key performance indicators

The directors closely monitor business performance utilising financial and non-financial KPI's. Core strategic financial KPI's are subscription sales, net sales value, operating profit and profit before tax. Non financial measures include subscription renewal rates and upselling of additional services to existing clients.

	2022	2021
	£	£
Turnover	85,511,253	73,453,566
(Loss) / Profit before tax	3,211,899	3,854,787
Profit before tax as a percentage of turnover	3.76%	5.25%

Going concern

The company meets its day to day working capital requirements through a combination of bank balances and trade creditors.

As part of the board assessment of going concern, trading and working capital requirements and forecasts have been prepared for the company covering the period to July 2022 and beyond.

The most critical assumptions when assessing future cash flows are the expected level of income, gross margins and overheads.

As more fully described in the strategic report above, trading conditions continue to be challenging, not helped by the general uncertainty in the UK economy as a consequence of the COVID-19 pandemic.

Despite this, the forecasts for 2022/2023 show that the company can continue to operate wholly within currently agreed banking facilities.

Whilst recognising the inevitable uncertainties impacting the company going forward, the directors confirm that, after considering the matters set out above, they have a reasonable expectation that the company has adequate resources, to continue in operational existence for at least twelve months following the signing of these financial statements.

For these reasons, the directors continue to adopt the going concern basis in preparing the financial statements.

OXFORD ECONOMICS GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

Section 172(1) statement

The Directors believe they have acted in a way they consider, in good faith, to promote the success of the Group for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) of the Companies Act).

The success of the Group is the driving factor behind all decisions made by the Directors. Decision-making processes are structured to enable the Directors to evaluate the merit of proposed business activities and new investments, and the likely consequences of its decisions over the short, medium, and long term.

Our employees

The Group's employees are key to its success. That is why the Directors work hard to create jobs and opportunities for all the Group's people, regardless of gender, age, or life stage and have been investing substantially in training and personal development. Maintaining the engagement and commitment of employees is vital, and an annual survey of employees is undertaken to inform the Group's strategy and employee-development initiatives. A working group of employees has also been established to advise management on how to encourage diversity and inclusion in the workforce, and a number of recommendations are being implemented.

Our customers

The Group prioritises its clients' needs in all of its work. This drives the quality of the analysis by its economists and researchers, its highly responsive approach to client service and account management, and its investment in improving its products and introducing new services.

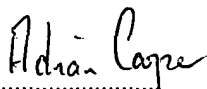
Communities and environment

The Directors carefully consider the impact of the business on communities and the environments in which the Company operates. They have established a taskforce of employees to advise management on a range of measures to reduce the environmental footprint of the business and improve its sustainability.

Business conduct

In all our activities the Directors require that our employees and suppliers conduct business with the highest ethical and professional standards.

On behalf of the board



Mr A Cooper

Director

Date: 06.07.2023

OXFORD ECONOMICS GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2022

The directors present their annual report and financial statements for the year ended 31 July 2022.

Principal activities

The principal activity of the group continued to be that of xxxx

Results and dividends

The results for the year are set out on page 13.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Walker

Mr C Burton

Mr A Cooper

(Appointed 1 August 2022)

Financial instruments

The company's principal financial instruments comprise bank balances, trade debtors, trade creditors. The main purpose of these instruments is to raise funds for the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial statements is set out below.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company's continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the group's performance.

Business relationships

Details of business relationships have been covered in the Section 172(1) statement in the strategic report.

OXFORD ECONOMICS GROUP LIMITED

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

Future developments

The level of business and the period end financial position remain satisfactory for the company and the directors are confident to be able to develop the business further in the future.

Auditor

In accordance with the company's articles, a resolution proposing that Townends Accountants LLP be reappointed as auditor of the company will be put at a General Meeting.

Energy and carbon report

	2022	2021
<i>Energy consumption</i>	kWh	kWh
Aggregate of energy consumption in the year	713,557	556,082
	<u> </u>	<u> </u>
	2022	2021
<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	51.00	28.00
Scope 2 - indirect emissions		
- Electricity purchased	83.00	86.00
	<u> </u>	<u> </u>
Total gross emissions	134.00	114.00
	<u> </u>	<u> </u>
<i>Intensity ratio</i>		
Energy consumption (kWh) per £1,000 of turnover	14	13
	<u> </u>	<u> </u>

Quantification and reporting methodology

Total energy consumption has been obtained from data extracted via both metering systems, or where not available total billed units within the period. All greenhouse gas emission calculations are derived using the government conversion rates (2020) for the applicable emissions.

Measures taken to improve energy efficiency

The directors are committed to reducing energy consumption across the business through a combination of measures, including but not limited to, replacing all lighting with energy efficient lamps, installing smart meters, wherever possible, and engaging with energy consultants to monitor usage and maximise energy saving initiatives.

The group has progressed with its strategy to reduce waste over the next few years by promoting recycling at all locations.

The group fosters a culture of sustainability at all levels and encourages all staff to take responsibility for upholding the groups policies on carbon emissions.

OXFORD ECONOMICS GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and parent company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 the Directors have prepared a Company strategic report as required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) regulations 2008.

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board



.....
Mr A Cooper
Director

Date: 06.07.2023.....

OXFORD ECONOMICS GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OXFORD ECONOMICS GROUP LIMITED

Opinion

We have audited the financial statements of Oxford Economics Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the group income statement, the group statement of comprehensive income, the group and parent company statement of financial position, the group and parent company statement of changes in equity, the group statement of cash flows and the group and parent company notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 July 2022 and of the group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements 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 group and parent 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

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 group's and parent 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.

OXFORD ECONOMICS GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OXFORD ECONOMICS GROUP 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 course of 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 this gives rise to 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 our 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.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

OXFORD ECONOMICS GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OXFORD ECONOMICS GROUP 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

- We have obtained an understanding of the legal and regulatory framework applicable to the company through discussions with senior management and review of the regulatory framework of any professional membership bodies that the company is a part of. The company uses third parties to ensure that it remains up to date with changes and to review compliance with all its legal and regulatory requirements. In making our assessment of detecting irregularities, including fraud, we have discussed the issue with management who have advised that there have been no changes and the company remains compliant with its legal and regulatory requirements. Nothing has been brought to light in completing our audit work that contradicts this.
- The following laws and regulations have been identified as being of significance in the context of the company; Companies Act 2006 and health and safety legislation.
- In making our assessment of the susceptibility of the company's financial statements to material misstatement, we have also considered how fraud might occur. No instances of material misstatement or fraud have been noted in the audit of the accounts for the year.
- All matters regarding non-compliance with laws and regulations and fraud have been communicated to all members of the audit engagement team. The engagement partner has assessed that the engagement team has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations, affected by the inherent difficulty in detecting irregularities, the effectiveness of the company's controls, and the nature, timing and extent of the audit procedures performed.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to these risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

OXFORD ECONOMICS GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF OXFORD ECONOMICS GROUP LIMITED

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude 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 a 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 auditors report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.



Jeffrey Williamson FCA (Senior Statutory Auditor)

Date: 10.07.2023

For and on behalf of
Townends Accountants LLP
Chartered Accountants & Statutory Auditor
Fulford Lodge
1 Heslington Lane
YORK
YO10 4HW

OXFORD ECONOMICS GROUP LIMITED

GROUP INCOME STATEMENT FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 £	2021 £
Revenue	3	85,511,253	73,453,567
Cost of sales		(10,233,178)	(7,758,051)
Gross profit		<u>75,278,075</u>	<u>65,695,516</u>
Other operating income		31,438	1,324,664
Administrative expenses		(71,734,163)	(62,786,492)
Operating profit	4	<u>3,575,350</u>	<u>4,233,688</u>
Investment revenues	8	33,391	27,500
Finance costs	9	(396,842)	(398,103)
Profit before taxation		<u>3,211,899</u>	<u>3,863,085</u>
Income tax expense	10	(142,842)	(7,020)
Profit for the year		<u><u>3,069,057</u></u>	<u><u>3,856,065</u></u>
Profit for the financial year is attributable to:			
- Owners of the parent company		1,112,734	2,185,731
- Non-controlling interests		1,956,323	1,670,334
		<u><u>3,069,057</u></u>	<u><u>3,856,065</u></u>

OXFORD ECONOMICS GROUP LIMITED
GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2022

	2022	2021
	£	£
Profit for the year	3,069,057	3,856,065
	<u> </u>	<u> </u>
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Currency translation differences:		
- Translation loss arising in the year	(110,210)	(371,865)
	<u> </u>	<u> </u>
Total comprehensive income for the year	2,958,847	3,484,200
	<u> </u>	<u> </u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	1,002,524	1,813,866
- Non-controlling interests	1,956,323	1,670,334
	<u> </u>	<u> </u>
	2,958,847	3,484,200
	<u> </u>	<u> </u>

The notes on pages 20 to 49 form part of these group financial statements.

OXFORD ECONOMICS GROUP LIMITED

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2022

	Notes	2022 £	2021 £
Non-current assets			
Goodwill	11	2,758,044	2,758,044
Intangible assets	11	11,342,867	9,352,936
Property, plant and equipment	12	3,280,560	3,611,247
Investments		-	381,376
Deferred tax asset	18	477,355	409,798
		17,858,826	16,513,401
Current assets			
Trade and other receivables	14	30,213,065	25,614,657
Current tax recoverable		-	806,766
Cash and cash equivalents		10,340,928	10,812,674
		40,553,993	37,234,097
Current liabilities			
Trade and other payables	16	43,563,193	39,565,429
Lease liabilities	17	706,841	298,296
Provisions	19	506,279	525,970
		44,776,313	40,389,695
Net current liabilities		(4,222,320)	(3,155,598)
Non-current liabilities			
Lease liabilities	17	2,033,177	2,655,700
Deferred tax liabilities	18	704,990	571,821
		2,738,167	3,227,521
Net assets		10,898,339	10,130,282
Equity			
Called up share capital	23	347	307
Legal reserve	24	15,300	15,512
Merger reserve	25	2,358,612	2,473,918
Foreign currency reserve	26	(517,755)	(407,545)
Retained earnings		9,041,835	8,083,188
		10,898,339	10,165,380
Equity attributable to owners of the parent company		10,898,339	10,165,380
Non-controlling interests		-	(35,098)
Total equity		10,898,339	10,130,282

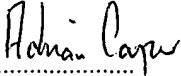
OXFORD ECONOMICS GROUP LIMITED

GROUP STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 JULY 2022

The notes on pages 20 to 49 form part of these group financial statements.

The financial statements were approved by the board of directors and authorised for issue on ~~06.07.2023~~ and are signed on its behalf by:



.....
Mr A Cooper

Director

Company registration number 12106454 (England and Wales)

OXFORD ECONOMICS GROUP LIMITED

**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2022**

	Notes	Share capital £	Legal reserve £	Merger reserve £	Currency translation reserve £	Retained earnings £	Total controlling interest £	Non- controlling interest £	Total £
As restated for the period ended 31 July 2021:									
Balance at 1 August 2020		307	88	2,862,959	(35,680)	2,870,799	5,698,473	34,988	5,733,461
Transition adjustments		-	-	-	-	2,907,670	2,907,670	-	2,907,670
As restated		307	88	2,862,959	(35,680)	5,778,469	8,606,143	34,988	8,641,131
Year ended 31 July 2021:									
Profit for the year		-	-	-	-	2,185,731	2,185,731	1,670,334	3,856,065
Other comprehensive income:									
Currency translation differences		-	-	-	(371,865)	-	(371,865)	-	(371,865)
Total comprehensive income for the year		-	-	-	(371,865)	2,185,731	1,813,866	1,670,334	3,484,200
Transactions with owners in their capacity as owners:									
Other movements		-	15,424	(389,041)	-	-	(373,617)	(1,740,420)	(2,114,037)
Balance at 31 July 2021		307	15,512	2,473,918	(407,545)	7,964,200	10,165,380	(35,098)	10,130,282

OXFORD ECONOMICS GROUP LIMITED
GROUP STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

	Share capital	Legal reserve	Merger reserve	Currency translation reserve	Retained earnings	Total controlling interest	Non- controlling interest	Total
Notes	£	£	£	£	£	£	£	£
Year ended 31 July 2022:								
Profit for the year	-	-	-	-	1,112,734	1,112,734	1,956,323	3,069,057
Other comprehensive income:								
Currency translation differences	-	-	-	(110,210)	-	(110,210)	-	(110,210)
Total comprehensive income for the year	-	-	-	(110,210)	1,112,734	1,002,524	1,956,323	2,958,847
Transactions with owners in their capacity as owners:								
Issue of share capital	40	-	-	-	-	40	-	40
Other movements	-	(212)	(504,347)	-	(35,099)	(539,658)	(1,915,395)	(2,455,053)
Balance at 31 July 2022	347	15,300	2,358,612	(517,755)	9,041,835	10,898,339	-	10,898,339
Check PY	307	15,512	2,473,918	(407,545)	7,964,200	10,046,392	(35,098)	10,011,294
Difference PY	-	-	-	-	-	118,988	-	118,988

The notes on pages 20 to 49 form part of these group financial statements.

OXFORD ECONOMICS GROUP LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022		2021	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	30		7,280,245		5,268,378
Interest paid			(396,842)		(398,103)
Income taxes refunded			533,773		685,137
			<u>7,417,176</u>		<u>5,555,412</u>
Investing activities					
Purchase of intangible assets		(5,268,961)		(4,297,683)	
Purchase of property, plant and equipment		(418,360)		(212,147)	
Proceeds from disposal of investments		381,376		-	
Payments to minority interests		(1,956,323)		(1,670,334)	
Interest received		33,391		27,182	
Other income received from investments		-		318	
			<u>(7,228,877)</u>		<u>(6,152,664)</u>
Financing activities					
Proceeds from issue of shares		40		-	
Repayment of bank loans		-		(1,139,314)	
Payment of lease liabilities		(660,085)		(635,972)	
Other operating cash flow changes		-		371,865	
			<u>(660,045)</u>		<u>(1,403,421)</u>
Net decrease in cash and cash equivalents			<u>(471,746)</u>		<u>(2,000,673)</u>
Cash and cash equivalents at beginning of year			<u>10,812,674</u>		<u>12,813,347</u>
Cash and cash equivalents at end of year			<u><u>10,340,928</u></u>		<u><u>10,812,674</u></u>

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

Company information

Oxford Economics Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is . The company's principal activities and nature of its operations are disclosed in the directors' report.

The group consists of Oxford Economics Group Limited and all of its subsidiaries.

The company's principal activities and nature of its operations are set out in the strategic report and directors report.

The company's principal accounting policies, all of which have been applied consistently throughout the year are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.1 Accounting convention

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements have been prepared, for the first time, on the basis of the IFRS accounting policies set out below. The disclosures required by IFRS1 "First time adoption of International financial Report Standards" (IFRS1) concerning the transition from FRS 102: The Financial Report Standard Applicable in the UK and Republic of Ireland (FRS 102) are included in these financial statements.

In preparing the company's 2022 annual financial statements, management has amended certain accounting and valuation methods applied in the 2021 FRS 102 financial statement in order to comply with IFRS. The comparative figures in respect of 2021 were restated to reflect these adjustments.

The impact of these restatements is presented in note 31.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates, which are outlined in the critical accounting estimates and judgements section of these accounting policies. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Transition to IFRS

The company has transitioned from FRS 102 to IFRS as at 1 August 2020. Details of how IFRS has affected the reported financial position and financial performance is given at note 31.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Oxford Economics Group Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 July 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.3 Going concern

In March 2020 the UK was impacted by the outbreak of Covid-19. The Government imposed significant restrictions at that time in an effort to manage the spread of the virus which resulted in the company having to review and change its working practices to ensure compliance with these restrictions. More latterly, the UK economy has been impacted by rising inflation, interest rates and energy costs, exacerbated by the war in Ukraine. All these matters have impacted the company's trading results to a greater or lesser extent. At the date of signing these financial statements, the directors have considered the effect of these matters on the company with the information available to it and do not believe that it will affect the ability of the company to continue to trade for the foreseeable future. On this basis, the directors have prepared these financial statements on a going concern basis.

1.4 Revenue

The majority of clients pay for the company's services in advance on the basis of periodic subscriptions. An adjustment is made at the year end to reduce revenue by the amount of any subscriptions which are received before the year end but which performance obligations are not met until after the year end. The amount of subscriptions in advance is shown in trade creditors.

Revenue from contracts with customers for the provision of other services is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring the services to the customer. For each contract with a customer the company identifies the contract with the customer, identified the performance obligations in the contract, determines the transaction price which takes into account estimates of the time value of money, allocates the transaction price to the separate performance obligations on the basis of the relative stand alone selling price of each service to be delivered and recognised revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the services promised.

Profit on long term contracts is taken as the work is carried out, if the final outcome can be assessed with reasonable certainty. The profit included is calculated to reflect the proportion of the work carried out at the year end by recording turnover and related costs as contract activity progress.

Turnover is calculated as that proportion of total contract value which costs incurred to date represent compared to total expected costs for that contract. Full provision is made for losses on all contracts in the year in which they are first foreseen.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

The nature, timing of satisfaction of performance obligations and significant payment terms of the group's major sources of revenue are as follows:

1.5 Goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less impairment losses.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not subsequently reversed.

1.6 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

- Development costs - 3 to 5 years straight line
- Capitalised commissions - over 8 years straight line

Development costs

Certain costs incurred in connection with the development of software to be used internally or for providing services to customers are capitalised once a project has progressed beyond a conceptual, preliminary stage to that of application development.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognisable as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

Costs that qualify for capitalisation include both internal and external costs, but are limited to those that are directly related to the specific project. Computer software costs are included at capitalised costs less accumulated amortisation and any recognised impairment loss.

Amortisation is calculated to write down the cost of the asset on a straight line basis over their estimated useful lives, which range from 3 to 5 years. Useful lives are reviewed at the end of each reporting period and adjusted if appropriate.

Capitalised commissions

Costs in relation to commissions paid to employees for new subscription contracts with customers are capitalised and amortised over a period representing managements best estimate of the number of years that a customer will renew their subscription based on past performance of existing subscriptions.

Capitalised commission costs are included at capitalised costs less accumulated amortisation and any recognised impairment loss.

Amortisation is calculated to write down the cost of the asset on a straight line basis over their estimated useful lives of 8 years. Useful lives are reviewed at the end of each reporting period and adjusted if appropriate.

1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	over the remaining length of the lease
Fixtures and fittings	5 years straight line
Plant and equipment	6 years straight line
Computers	3, 8 or 10 years straight line
Motor vehicles	5 years straight line
Right of use asset	over the term of the lease

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.8 Non-current investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the parent company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

1.9 Impairment of tangible and intangible assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial assets

Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the group's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The parent company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets

Financial assets carried at amortised cost and fair value through other comprehensive income are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.12 Financial liabilities

The group recognises financial debt when the group becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled, or they expire.

1.13 Equity instruments

Equity instruments issued by the parent company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer payable at the discretion of the company.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

1.15 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event and it is probable that the group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.17 Retirement benefits

The group operates a small self-administered scheme for Mr J Walker. The scheme is neither a defined benefit or defined contribution scheme, the funding level being considered from time to time but so as not to provide benefits greater than those permitted by the Inland Revenue.

Contributions are charged to the profit and loss account in the period in which they are paid. The company also operates a defined contribution pension scheme for the benefit of certain directors and employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

1.18 Leases

At inception, the group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the group is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the group's estimate of the amount expected to be payable under a residual value guarantee; or the group's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.19 Grants

Government grants are recognised using the accrual model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

1.20 Foreign exchange

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

1.21 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows :-

Goodwill and intangible assets

Goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position and amortised on a straight line basis over its useful life, except for goodwill which is not amortised in accordance with IFRS. The company establishes an estimate of the useful life of intangible assets arising on business combinations.

The life of capitalised commissions has been calculated with reference to a detailed review of the subscription renewal rates of the company.

Where a reliable estimate of the useful life of intangible assets cannot be made, the life is presumed not to exceed ten years.

Plant and equipment

The company's accounting policy for tangible fixed assets is set out above. Estimated useful lives of plant and equipment are based on management's judgements and historical experience with similar assets.

With regards to the calculation of the cost of right of use assets, the lease term is taken from the agreed lease for the asset and the interest rate implied in the lease is assumed to be the interest rate that the group could lend from its bankers on similar terms.

Revenue recognition

Revenue from subscriptions is recognised evenly over the subscription period.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

2 Adoption of new and revised standards and changes in accounting policies

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 17

Insurance Contracts

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

2 Adoption of new and revised standards and changes in accounting policies (Continued)

In May 2017, the International Accounting Standards Board issued IFRS 17 "Insurance Contracts" which was later amended in June 2020. IFRS 17 is to be applied for annual periods beginning on or after 1 January 2023, although it is not considered that the company will be impacted by the application of this standard.

3 Revenue

	2022	2021
	£	£
Revenue analysed by class of business		
Rendering of services	85,511,254	73,453,566
	<u>85,511,254</u>	<u>73,453,566</u>

	2022	2021
	£	£
Revenue analysed by geographical market		
United Kingdom	16,017,133	14,012,990
Overseas	69,494,121	59,440,576
	<u>85,511,254</u>	<u>73,453,566</u>

	2022	2021
	£	£
Other income		
Grants received	7,783	1,233,759
	<u>7,783</u>	<u>1,233,759</u>

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(641,811)	344,017
Government grants	(7,783)	(1,233,759)
Fees payable to the company's auditor for the audit of the company's financial statements	222,305	79,420
Depreciation of property, plant and equipment	1,090,797	1,043,586
Amortisation of intangible assets (included within administrative expenses)	3,279,030	2,766,883
	<u>3,279,030</u>	<u>2,766,883</u>

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company's subsidiaries	222,305	79,420
	<u>222,305</u>	<u>79,420</u>
For services in respect of associated pension schemes		
Audit	61,308	26,746
	<u>61,308</u>	<u>26,746</u>

6 Employees

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

	2022	2021
	Number	Number
	483	426
	<u>483</u>	<u>426</u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	50,251,996	41,909,834
Social security costs	2,950,665	2,239,207
Pension costs	1,846,330	1,695,715
	<u>55,048,991</u>	<u>45,844,756</u>

7 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	10,165,635	7,865,595
Company pension contributions to defined contribution schemes	-	8,000
	<u>10,165,635</u>	<u>7,873,595</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022	2021
	£	£
Remuneration for qualifying services	5,927,082	3,886,613
	<u>5,927,082</u>	<u>3,886,613</u>

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

7 Directors' remuneration **(Continued)**

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

8 Investment income

	2022	2021
	£	£
Interest income		
Financial instruments measured at amortised cost:		
Bank deposits	33,391	27,182
Other income		
Income from other fixed asset investments	-	318
	33,391	27,500
	33,391	27,500

9 Finance costs

	2022	2021
	£	£
Interest on bank overdrafts and loans	89,313	61,946
Interest on lease liabilities	304,783	335,078
Other interest payable	2,746	1,079
	396,842	398,103
	396,842	398,103

10 Income tax expense

	2022	2021
	£	£
Current tax		
Adjustments in respect of prior periods	(174,273)	(145,111)
Foreign taxes and reliefs	203,618	232,318
	29,345	87,207
	29,345	87,207
Deferred tax		
Origination and reversal of temporary differences	113,497	(80,187)
	113,497	(80,187)
	113,497	(80,187)
Total tax charge	142,842	7,020
	142,842	7,020

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

10 Income tax expense (Continued)

The Finance Act 2021 (enacted on 10 June 2021) included an increase to the main UK corporation tax rate to 25%, effective from 1 April 2023.

The charge for the year can be reconciled to the profit per the income statement as follows:

	2022	2021
	£	£
Profit before taxation	3,211,899	3,863,085
Expected tax charge based on a corporation tax rate of 19.00% (2021: 19.00%)	610,261	733,986
Effect of expenses not deductible in determining taxable profit	16,974	3,280
Unutilised tax losses carried forward	163,075	143,121
Adjustment in respect of prior years	(174,273)	145,111
Depreciation on assets not qualifying for tax allowances	93,257	49,729
Amortisation on assets not qualifying for tax allowances	496,692	302,358
Other non-reversing timing differences	(757,642)	(551,820)
Other permanent differences	(54,678)	(34,342)
Overseas taxation	(102,507)	(408,013)
Movement to deferred tax	(148,317)	11,004
Transition adjustment	-	(387,394)
Taxation charge for the year	142,842	7,020

11 Intangible assets

	Goodwill	Development costs	Capitalised commissions	Other intangible assets	Total
	£	£	£	£	£
Cost					
At 1 August 2020	2,758,044	10,245,054	7,006,438	-	20,009,536
Additions	-	1,700,000	2,597,683	-	4,297,683
At 31 July 2021	2,758,044	11,945,054	9,604,121	-	24,307,219
Additions - purchased	-	1,800,000	3,399,359	69,602	5,268,961
At 31 July 2022	2,758,044	13,745,054	9,096,806	69,602	29,576,180

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

11 Intangible assets	(Continued)				
	Goodwill	Development costs	Capitalised commissions	Other intangible assets	Total
	£	£	£	£	£
Amortisation and impairment					
At 1 August 2020	-	7,131,615	2,297,741	-	9,429,356
Charge for the year	-	1,579,361	1,187,522	-	2,766,883
At 31 July 2021	-	8,710,976	3,485,263	-	12,196,239
Charge for the year	-	1,668,334	1,610,696	-	3,279,030
At 31 July 2022	-	10,379,310	5,095,959	-	15,475,269
Carrying amount					
At 31 July 2022	2,758,044	3,365,744	4,000,847	69,602	14,100,911
At 31 July 2021	2,758,044	3,234,078	6,118,858	-	12,110,980
At 31 July 2020	2,758,044	3,113,439	4,708,697	-	10,580,180

Amortisation has been charged entirely to administrative expenses.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

12 Property, plant and equipment

	Freehold land and buildings improvements £	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Right of use asset £	Total £
Cost								
At 1 August 2020	7,951	407,346	226,563	514,614	1,530,779	7,454	5,134,559	7,829,266
Additions	-	-	-	18,311	193,836	-	-	212,147
Disposals	-	-	-	(49,254)	-	-	-	(49,254)
At 31 July 2021	7,951	407,346	226,563	483,671	1,724,615	7,454	5,134,559	7,992,159
Additions	-	-	-	64,934	353,426	-	446,107	864,467
Disposals	-	-	-	-	(7,729)	-	(395,972)	(403,701)
At 31 July 2022	7,951	407,346	226,563	548,605	2,070,312	7,454	5,006,801	8,275,032
Accumulated depreciation and impairment								
At 1 August 2020	-	204,494	(51,619)	105,893	1,040,095	5,063	2,082,654	3,386,580
Charge for the year	-	46,641	9,893	95,150	225,498	1,261	665,143	1,043,586
Eliminated on disposal	-	-	-	(49,254)	-	-	-	(49,254)
At 31 July 2021	-	251,135	(41,726)	151,789	1,265,593	6,324	2,747,797	4,380,912
Charge for the year	-	43,769	9,893	111,958	221,316	749	703,112	1,090,797
Eliminated on disposal	-	-	-	-	(7,729)	-	(395,972)	(403,701)
At 31 July 2022	-	294,904	(31,833)	264,742	1,478,185	7,073	2,981,401	4,994,472

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

12 Property, plant and equipment

(Continued)

	Freehold land and buildings £	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Right of use asset £	Total £
Carrying amount								
At 31 July 2022	7,951	112,442	258,396	283,863	592,127	381	2,025,400	3,280,560
At 31 July 2021	7,951	156,211	268,289	331,882	459,022	1,130	2,386,762	3,611,247

OXFORD ECONOMICS GROUP LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

13 Subsidiaries

Details of the company's subsidiaries at 31 July 2022 are as follows:

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
Oxford Economics Limited	United Kingdom	Ordinary	100.00	-
Oxford Economics Australia Pty Limited	Australia	Ordinary	-	100.00
BIS Oxford Economics Pty Limited	Australia	Ordinary	-	100.00
Oxford Economics Asia Pacific and Middle East Pte Limited	Singapore	Ordinary	-	100.00
Oxford Economics Hong Kong Limited	Hong Kong	Ordinary	-	100.00
Oxford Economics Africa (Pty) Limited	South Africa	Ordinary	-	100.00
Regional Forecasts Limited	United Kingdom	Ordinary	-	100.00
Oxford Economics Japan KK	Japan	Ordinary	-	100.00
Oxford Economics GmbH	Germany	Ordinary	-	100.00
Oxford Economics Forecasting Limited	United Kingdom	Ordinary	-	100.00
Oxford Economics SRL	Italy	Ordinary	-	100.00
Oxford Economics France	France	Ordinary	-	100.00
Oxford Economics Ireland Limited	Ireland	Ordinary	-	100.00
Oxford Economics USA Inc	United States	Ordinary	100.00	-
Oxford Economics Mexico & Latin America S.A.P.	Mexico	Ordinary	-	100.00
Stone & McCarthy Research Associates	United States	Ordinary	-	100.00
Tourism Economics LLC	United States	Ordinary	-	66.70
Oxford Economics Canada	Canada	Ordinary	-	100.00

Registered office addresses (all UK unless otherwise indicated):

- 1 Abbey House, 121 St Aldates, Oxford. OX1 1HB
- 2 Level 6, 7 Macquarie Place, Sydney 2000, Australia
- 3 16F, The Hong Kong Club Building, 3A Charter Road, Central, Hong Kong SAR
- 4 Cecils Squar 2nd Floor, 100 Cecilia Street Paarl, 7647, South Africa
- 5 Shiodome City Center 5th Floor, 1-5-2 Higashi Shimbashi, Minato-ku, Tokyo, Japan
- 6 Matienstraße 15, 60329 Frankfurt am Main, Germany
- 7 Via Michele Barozzi 7, 20122 Milan, Italy
- 8 70 avenue Kléber 75116, Paris, France
- 9 6 Battery Road 38-05, Singapore
- 10 Lagan House, Sacville Street, Lisburn, County Antrim, BT27 4AB, Ireland
- 11 5 Hanover Square, 8th Floor New York, NY 1004, United States
- 12 6303 Owensmouth Avenue, 10th Floor Woodland Hills, CA 91367, United States
- 13 5600 N River Road Suite 800, Rosemont, Chicago, IL 60018, United States
- 14 51 Sawyer Rd Building 2 - Suite 400, Waltham, MA 02453, United States
- 15 303 West Lancaster Avenue Suite 2e, Wayne, PA 19087, United States
- 16 2425 Matheson Blvd East 8th Floor, Mississauga, Ontario L4W 5K4, Canada
- 17 Paseo del la Remorma, 296, Floor 35 Colonia Juárez, Cuauhtémoc, Mexico City CO 0660, Mexico

OXFORD ECONOMICS GROUP LIMITED

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

14 Trade and other receivables

	2022	2021
	£	£
Trade receivables	18,743,019	14,553,552
Other receivables	6,631,889	7,714,649
Prepayments	4,838,157	3,346,456
	30,213,065	25,614,657

15 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

The directors of the company have considered the provisions around impairment of inter company indebtedness contained within IFRS9 "Financial Instruments" and concluded that no provision for impairment be recognised as at 31 July 2022. This is due to the significant distributable reserves available and high level of control exerted over its operations by the ultimate parent company.

All trade receivables have standard credit terms of 30 days from the invoice date.

Expected credit loss assessment

	Balance	Expected loss rate	Loss allowance
	£	%	£
Trade receivables			
2022			
Not overdue	13,015,227	0	-
0 to 3 months overdue	5,063,930	0	-
More than 3 months overdue	663,862	0	-
	18,743,019		-
Trade receivables			
2021			
Not overdue	11,426,684	0	-
0 to 3 months overdue	2,403,726	0	-
More than 3 months overdue	723,140	0	-
	14,553,550		-

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

15 Trade receivables - credit risk **(Continued)**

No significant receivable balances are impaired at the reporting end date.

16 Trade and other payables

	2022	2021
	£	£
Trade payables	3,461,697	4,182,988
Social security and other taxation	1,698,284	1,094,004
Other payables	38,403,212	34,288,437
	43,563,193	39,565,429
	43,563,193	39,565,429

17 Lease liabilities

	2022	2021
	£	£
Maturity analysis		
Within one year	1,021,566	318,616
In two to five years	2,616,613	3,428,381
	3,638,179	3,746,997
Total undiscounted liabilities	3,638,179	3,746,997
Future finance charges and other adjustments	(898,161)	(793,001)
	2,740,018	2,953,996
Lease liabilities in the financial statements	2,740,018	2,953,996

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2022	2021
	£	£
Current liabilities	706,841	298,296
Non-current liabilities	2,033,177	2,655,700
	2,740,018	2,953,996
	2,740,018	2,953,996

Amounts recognised in profit or loss include the following:

	2022	2021
	£	£
Interest on lease liabilities	304,783	335,078
	304,783	335,078

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

18 Deferred taxation

	2022	2021
	£	£
Deferred tax liabilities	704,990	571,821
Deferred tax assets	(477,355)	(409,798)
	227,635	162,023
	227,635	162,023

Deferred tax assets are expected to be recovered within one year

The following are the major deferred tax liabilities and assets recognised by the group and movements thereon during the current and prior reporting period.

	ACAs	Tax losses	Total
	£	£	£
Liability at 1 August 2020	160,087	(405,731)	(245,644)
Deferred tax movements in prior year			
Charge/(credit) to profit or loss	411,734	(4,067)	407,667
Liability at 1 August 2021	571,821	-	571,821
Asset at 1 August 2021	-	(409,798)	(409,798)
Deferred tax movements in current year			
Charge/(credit) to profit or loss	133,169	(67,557)	65,612
Liability at 31 July 2022	704,990	-	704,990
Asset at 31 July 2022	-	(477,355)	(477,355)
	704,990	(477,355)	(477,355)

19 Provisions for liabilities

	2022	2021
	£	£
Employee provisions	506,279	525,970
	506,279	525,970

All provisions are expected to be settled within 12 months from the reporting date.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

19 Provisions for liabilities (Continued)

Movements on provisions:

	£
At 1 August 2021	525,970
Utilisation of provision	<u>(19,691)</u>
At 31 July 2022	<u><u>506,279</u></u>

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

20 Financial instruments

The group's financial instruments comprise cash and various items, such as receivables and payables that arise from its operations.

The main financial risks arising from the group's financial instruments are liquidity risk, interest rate risk, and credit risk. The group directors review and agree policies for managing each of these risks. It is the group's policy that no trading in financial instruments should be undertaken. The year end position reflects this policy and there have been no changes in the policy since 31 July 2022.

- **Liquidity risk:** Through cash flow forecasting, daily monitoring and regular reviews the group monitors working capital and capital expenditure requirements. Weekly debtor recovery meetings are held to ensure that cash flow from sales is maintained and any issues are understood and addressed promptly. Supplier payments are reviewed on a weekly basis, which ensures that the balance between continued supply and cash flow management is managed within existing arrangements. Liquidity risk is further managed by the agreement of intra-group loans, directors loans and working capital facilities, when necessary. However, the group continues to benefit from excellent cash flows from its activities.
- **Interest rate risk:** The group finances its operations through a combination of shareholders' funds and loans. The group currently has no significant interest bearing assets or liabilities and therefore the group's income and operating cash flows are substantially independent of changes in market interest rates. The group's financial assets comprise short-term receivables, cash in hand and other loans receivable. Cash in hand is held in bank accounts at floating rates of interest. Given the nature of the company's financial assets and the level of both current and forecast interest rates, the exposure to any expected movement in interest rate and the related risk is not considered to be significant.
- **Credit risk:** Potential customers are credit checked prior to an account being created for them and before any orders for services are accepted and processed. All debts are closely controlled and monitored by management, with weekly debtor recovery meetings in place. At the year end date, there were no significant concentrations of credit risk.

Capital risk management

The group classified the capital that it manages as its total equity and net debt balances. The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for its shareholders and benefits for other stakeholders. Shareholders have remained consistent and remain committed to the success of the business. The group can implement a range of measures to alter the capital structure including arranging appropriate banking facilities. However, the group continues to generate excellent cash flows from its activities and with the long term commitment of shareholders which remains in place, does not foresee capital risk as being significant.

21 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	1,846,330	1,695,715

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

22 Share-based payments

	Number of share options		Average exercise price	
	2022	2021	2022 £	2021 £
Outstanding at 1 August 2021	80	80	732.96	732.96
Forfeited in the period	(10)	-	2,260.47	-
Exercised in the period	(20)	-	1.00	-
	<u>50</u>	<u>80</u>	<u>752.13</u>	<u>732.96</u>
Outstanding at 31 July 2022				
	<u>50</u>	<u>80</u>	<u>752.13</u>	<u>732.96</u>
Exercisable at 31 July 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The company operates an Enterprise Management Incentives (EMI) growth share option scheme for certain employees, granting them ordinary 'D' and ordinary 'E' shares.

Options are exercisable at prices of either £1, £749.10, £2,101 or £2,260.47 per option share.

The options are settled in equity once exercised.

If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Options are forfeited in certain circumstances, for example if the employee leaves the company before the options vest.

Details of the number and weighted average exercise prices (WAEP) of share options during the year are stated above.

23 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
<i>Issued and fully paid</i>				
Ordinary 'A' shares of 0.01p each	2,666,400	2,666,402	267	267
Ordinary 'E' shares of £1 each	50	40	50	40
Ordinary 'D' shares of £1 each	30	-	30	-
	<u>2,666,480</u>	<u>2,666,442</u>	<u>347</u>	<u>307</u>

24 Legal Reserve

	2022 £	2021 £
At the beginning of the year	15,512	88
Other movements	(212)	15,424
At the end of the year	<u>15,300</u>	<u>15,512</u>

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

25 Merger Reserve

	2022	2021
	£	£
At the beginning of the year	2,473,918	2,862,959
Other movements	(504,347)	(389,041)
	2,358,612	2,473,918
	2,358,612	2,473,918

26 Currency translation reserve

	2022	2021
	£	£
At the beginning of the year	(407,545)	(35,680)
Translation loss arising in the year	(110,210)	(371,865)
	(517,755)	(407,545)
	(517,755)	(407,545)

27 Capital risk management

The group is not subject to any externally imposed capital requirements.

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, including directors, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	2022	2021
	£	£
Short-term employee benefits	10,165,635	7,449,886
Post-employment benefits	-	8,000
	10,165,635	7,457,886
	10,165,635	7,457,886

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
Amounts due to related parties		
Other related parties	2,736,911	500,192
	2,736,911	500,192
	2,736,911	500,192

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

28 Related party transactions **(Continued)**

The following amounts were outstanding at the reporting end date:

	2022	2021
Amounts due from related parties	£	£
Other related parties	9,771,294	7,904,440
	<u>9,771,294</u>	<u>7,904,440</u>

29 Controlling party

The ultimate controlling party of Oxford Economics Group Limited is Mr J Walker by virtue of a controlling interest in the issued share capital.

30 Cash generated from operations

	2022	2021
	£	£
Profit for the year before income tax	3,211,899	3,863,085
Adjustments for:		
Finance costs	396,842	398,103
Investment income	(33,391)	(27,500)
Other operating cash flow changes	(110,210)	(371,865)
Amortisation and impairment of intangible assets	3,279,030	2,766,883
Depreciation and impairment of property, plant and equipment	1,090,797	1,043,586
(Decrease)/increase in provisions	(19,691)	28,092
Movements in working capital:		
Increase in trade and other receivables	(4,532,795)	(3,880,196)
Increase in trade and other payables	3,997,764	1,432,767
Cash generated from operations	<u>7,280,245</u>	<u>5,252,955</u>
Difference	<u>1,955,417</u>	<u>1,428,472</u>
Per cash flow statement page	<u>9,235,662</u>	<u>6,681,427</u>

31 Transition adjustments

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

31 Transition adjustments

(Continued)

Reconciliation of equity

	Notes	At 1 August 2020			At 31 July 2021		
		Previously reported £	Effect of transition £	As restated £	Previously reported £	Effect of transition £	As restated £
Fixed assets							
Goodwill		1,732,629	1,025,415	2,758,044	1,472,819	1,285,225	2,758,044
Other intangibles		3,113,439	4,708,697	7,822,136	3,234,078	6,118,858	9,352,936
Property, plant and equipment		1,390,781	3,051,906	4,442,687	1,224,485	2,386,762	3,611,247
Investments		381,082	-	381,082	381,376	-	381,376
Deferred tax		-	-	-	463,715	(53,917)	409,798
		<u>6,617,931</u>	<u>8,786,018</u>	<u>15,403,949</u>	<u>6,776,473</u>	<u>9,736,928</u>	<u>16,513,401</u>
Current assets							
Trade and other receivables		21,664,543	-	21,664,543	26,421,421	2	26,421,423
Bank and cash		12,813,347	-	12,813,347	10,812,674	-	10,812,674
		<u>34,477,890</u>	<u>-</u>	<u>34,477,890</u>	<u>37,234,095</u>	<u>2</u>	<u>37,234,097</u>
Creditors due within one year							
Borrowings		(1,120,257)	-	(1,120,257)	-	-	-
Finance leases		-	(472,700)	(472,700)	-	(298,296)	(298,296)
Other payables		(35,634,522)	-	(35,634,522)	(39,478,059)	(87,370)	(39,565,429)
		<u>(36,754,779)</u>	<u>(472,700)</u>	<u>(37,227,479)</u>	<u>(39,478,059)</u>	<u>(385,666)</u>	<u>(39,863,725)</u>
Net current liabilities		<u>(2,276,889)</u>	<u>(472,700)</u>	<u>(2,749,589)</u>	<u>(2,243,964)</u>	<u>(385,664)</u>	<u>(2,629,628)</u>
Total assets less current liabilities		<u>4,341,042</u>	<u>8,313,318</u>	<u>12,654,360</u>	<u>4,532,509</u>	<u>9,351,264</u>	<u>13,883,773</u>
Creditors due after one year							
Finance leases		-	(3,050,353)	(3,050,353)	-	(2,655,700)	(2,655,700)
Provisions for liabilities							
Deferred tax		-	-	-	(243,539)	(328,282)	(571,821)
Other provisions		(497,878)	-	(497,878)	(525,970)	-	(525,970)
		<u>(497,878)</u>	<u>-</u>	<u>(497,878)</u>	<u>(769,509)</u>	<u>(328,282)</u>	<u>(1,097,791)</u>
Net assets		<u>3,843,164</u>	<u>5,262,965</u>	<u>9,106,129</u>	<u>3,763,000</u>	<u>6,367,282</u>	<u>10,130,282</u>

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

31 Transition adjustments

(Continued)

	Notes	At 1 August 2020			At 31 July 2021		
		Previously reported £	Effect of transition £	As restated £	Previously reported £	Effect of transition £	As restated £
Equity							
Share capital		307	-	307	307	-	307
Other reserves		472,071	2,355,295	2,827,366	609,294	1,472,591	2,081,885
Profit and loss		4,958,764	2,907,670	7,866,434	4,858,832	4,894,690	9,753,522
Balance sheet suspense		(1,587,978)	-	(1,587,978)	(1,705,433)	1	(1,705,432)
Total equity		<u>3,843,164</u>	<u>5,262,965</u>	<u>9,106,129</u>	<u>3,763,000</u>	<u>6,367,282</u>	<u>10,130,282</u>

Notes to reconciliations

Oxford Economics Group Limited prepared its 2021 financial statements in accordance with FRS 102: The Financial Report Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

With effect from 1 August 2021, the company has prepared its financial statements in accordance with International Financial Reports Standards (IFRS). The transition date for the purposes of adopting IFRS is 1 August 2020.

Oxford Economics Group Limited presents below the effects of transition to IFRS and the accounting policies and transitional exemptions or choices it has applied in adopting IFRS.

The move from FRS 102 to IFRS does not affect the company's strategy or commercial decisions, but it does have a significant impact on the income statement.

OXFORD ECONOMICS GROUP LIMITED

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

31 Transition adjustments

(Continued)

In accordance with IAS 38 "Intangible assets", the group consider that certain commissions paid to staff for new subscription contracts with customers meet the criteria for recognition as an intangible asset. As at 1 August 2020, the total cost of commissions paid that have been capitalised were £7,006,438 with a further £2,597,683 capitalised in the year ended 31 July 2021.

The capitalised commissions are then being amortised, in accordance with IAS 38, over a period of 8 years. Accumulated amortisation as at 1 August 2020 was £2,297,741 with a further amortisation charge for the year ended 31 July 2021 of £1,187,522 being recorded.

IFRS 3 "Business combinations" does not permit the amortisation of goodwill. Under FRS 102, goodwill was being amortised over a period of 10 years. On transition to IFRS, the group has therefore reversed amortisation charged in previous years of £1,025,415 as at 1 August 2020 with a further charge of £259,810 in the year ended 31 July 2021 also been reversed.

Under FRS 102 the group had a number of operating leases for property that were expensed to the income statement. IFRS 16 "Leases" requires that in such circumstances the lease liability is initially measured at the present value of future lease payments and is subsequently adjusted to payments made under the terms of the lease and a notional interest charge.

In adopting IFRS, the group has therefore increased retained profits as at 1 August 2020 by £3,580,046, with a further increase of £1,077,383 in the year ended 31 July 2021 for operating lease payments expensed to the income statement. Interest on the right of use lease liability has been charged to profit of £2,568,247 as at 1 August 2020, with a further charge of £335,077 recorded for the year ended 31 July 2021.

Depreciation of the right of use asset has also been recorded of £2,080,409 at 1 August 2020 with a further charge of £665,143 for the year ended 31 July 2021.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

31 Transition adjustments

(Continued)

1. Intangible assets

In accordance with IAS 38 "Intangible assets", the group considers that certain commissions paid to staff for new subscription contracts with customers meet the criteria for recognition as an intangible asset. The effect was to transfer the net book value of such assets from retained profits - at 1 August 2020 this amounted to £4,708,697 and at 1 August 2021 to £6,118,858.

IFRS 3 "Business combinations" does not permit the amortisation of goodwill. Under FRS 102, goodwill was being amortised over a period of 10 years. On transition to IFRS, the group has therefore restated goodwill at cost of £2,758,044.

2. Tangible assets

Accounting for operating leases in accordance with IFRS 16 "Leases" led to the creation of right of use assets. The effect was to transfer the net book value of such assets from retained profits - at 1 August 2020 this amounted to £3,051,906 and at 1 August 2021 to £2,386,762

3. Current liabilities

Accounting for operating leases in accordance with IFRS 16 "Leases" led to the creation of a lease liability for right of use assets - at 1 August 2020 the current liability of these leases amounted £472,700 and at 1 August 2021 to £298,296.

4. Non-current liabilities

Accounting for operating leases in accordance with IFRS 16 "Leases" led to the creation of a lease liability for right of use assets - at 1 August 2020 the non-current liability of these leases amounted £8,313,318 and at 1 August 2021 to £9,351,264.

The impact of IFRS has resulted in some presentational changes, including the profit for the year being amended to account for the various transition adjustments noted above and a change to the amount of lease repayments reported under financing activities. There is no impact on the net cash flows of the company.

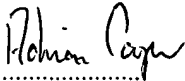
OXFORD ECONOMICS GROUP LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2022

	Notes	2022 £	2021 £
Non-current assets			
Investments	34	267	267
Current assets			
Cash and cash equivalents		80	40
Net current assets		80	40
Net assets		347	307
Equity			
Called up share capital	36	347	307

The notes on pages 52 to 53 form part of these parent financial statements.

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £0 (2021 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on 06.07.2023 and are signed on its behalf by:



Mr A Cooper
Director

Company registration number 12106454 (England and Wales)

OXFORD ECONOMICS GROUP LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2022

	Notes	Share capital £	Total £
As restated for the period ended 31 July 2021:			
Balance at 1 August 2020		307	307
As restated		307	307
Year ended 31 July 2021:			
Balance at 31 July 2021		307	307
Year ended 31 July 2022:			
Transactions with owners in their capacity as owners:			
Issue of share capital	36	40	40
Balance at 31 July 2022		347	347

The notes on pages 52 to 53 form part of these parent financial statements.

OXFORD ECONOMICS GROUP LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

32 Accounting policies

Company information

Oxford Economics Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Abbey House, 121 St Aldate, Oxford, OX1 1HB. The company's principal activities and nature of its operations are disclosed in the directors' report.

The company's principal activities and nature of its operations are set out in the strategic report and directors report.

The company's principal accounting policies, all of which have been applied consistently throughout the year are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

32.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements have been prepared, for the first time, on the basis of the IFRS accounting policies set out below. The disclosures required by IFRS1 "First time adoption of International financial Report Standards" (IFRS1) concerning the transition from FRS 102: The Financial Report Standard Applicable in the UK and Republic of Ireland (FRS 102) are included in these financial statements. There were no restatement of the comparative figures required on transition to IFRS.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates, which are outlined in the critical accounting estimates and judgements section of these accounting policies. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The company applied accounting policies consistent with those applied by the group. To the extent that an accounting policy is relevant to both the group and parent company financial statements, please refer to the group financial statements for disclosure of the relevant accounting policy.

32.2 Going concern

In March 2020 the UK was impacted by the outbreak of Covid-19. The Government imposed significant restrictions at that time in an effort to manage the spread of the virus which resulted in the company having to review and change its working practices to ensure compliance with these restrictions. More latterly, the UK economy has been impacted by rising inflation, interest rates and energy costs, exacerbated by the war in Ukraine. All these matters have impacted the company's trading results to a greater or lesser extent. At the date of signing these financial statements, the directors have considered the effect of these matters on the company with the information available to it and do not believe that it will affect the ability of the company to continue to trade for the foreseeable future. On this basis, the directors have prepared these financial statements on a going concern basis.

OXFORD ECONOMICS GROUP LIMITED

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

33 Employees

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

2022 Number	2021 Number
3	2
<u>3</u>	<u>2</u>

34 Investments

	Current		Non-current	
	2022 £	2021 £	2022 £	2021 £
Investments in subsidiaries	-	-	267	267
	<u>-</u>	<u>-</u>	<u>267</u>	<u>267</u>

Fair value of financial assets carried at amortised cost

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Investment in subsidiary undertakings

Details of the company's principal operating subsidiaries are included in (note.note78).

35 Share-based payments

	Number of share options		Average exercise price	
	2022	2021	2022 £	2021 £
Outstanding at 1 August 2021	80	80	732.96	305.00
Forfeited in the period	(10)	-	2,260.47	-
Exercised in the period	(20)	-	1.00	-
	<u>50</u>	<u>-</u>	<u>752.13</u>	<u>-</u>
Outstanding at 31 July 2022	50	-	752.13	-
	<u>50</u>	<u>-</u>	<u>752.13</u>	<u>-</u>
Exercisable at 31 July 2022	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The weighted average share price at the date of exercise for share options exercised during the year was £1 (2021 - £0).

36 Share capital

Refer to note 23 of the group financial statements.