Company Registration No. 05670865

SYSTEM ANALYTIC LIMITED

Report and Financial Statements

For the year ended 31 December 2019

System Analytic Limited
Report and financial statements 2019

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Officers and professional advisers

Directors
S Singhvi
C Sabel

Registered Office
18 Upper Ground
London
SE1 9GL
United Kingdom

Bankers
National Westminster Bank plc
159 Rushey Green,
London
SE6 4BJ

HSBC
Level 30, 8 Canada Square
Canary Wharf
London
E14 5HQ

Auditor
Deloitte LLP
Statutory Auditor
London
United Kingdom

System Analytic Limited
Strategic Report

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

Principal activities
The company is a majority-owned subsidiary of WPP plc. The company's principal activities are the provision of databases and online tools to enable pharmaceutical companies to identify, map and engage key opinion leaders across a broad range of medical fields.

Review of the business
As shown in the company's profit and loss account on page 11, the company's turnover of £6,833,225 for the year ended 31 December 2019 compares to £5,117,795 for the year ended 31 December 2018. This movement is due to increased trading activity across all clients. The resulting profit before tax was £1,917,427 in the year ended 31 December 2019 and £1,208,543 in the year ended 31 December 2018.

The company's key measurement of effectiveness of its operations is calculating operating profit as a percentage of revenue. The company achieved an operating profit margin of 26.5% in the year ended 31 December 2019, compared to year ended 31 December 2018 of 23.6% and reflects continued investment in the company's database.

The balance sheet on page 12 of the financial statements shows that the company's financial position at the period end remained strong with net assets of £4,699,548 and cash of £5,288,992. In addition, no dividend was paid in the current year (2018: £Nil).

The WPP group manages its operations on a network basis. For this reason, the company's directors believe that further key performance indicators of the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the WPP Health network within WPP plc, which includes the company, is discussed in the group's Annual Report which does not form part of this Report.

Covid-19
The Coronavirus pandemic has had a major impact to all our lives globally. The Company has taken a number of measures to ensure the safety of all of its staff, whilst ensuring we continue to deliver to our clients.

The UK went into national lockdown in March 2020 to help reduce the rate of infection, and the Company took the decision to close its offices and put in place a remote working policy. This has remained in place through to May 2021.

The pandemic has not had any financial impact on the Company through 2020 and forecasts for 2021 look strong. However the Directors and management team, are, and will continue to monitor and review the situation and will take the appropriate steps required to manage the impact of the pandemic across the Company. The Company has also been seeking guidance from its parent company WPP Plc and will follow any necessary recommendations and guidelines.

Principal risks and uncertainties
The company competes for clients in a highly competitive industry which may reduce market share and decrease profits and the company is dependent on its employees. The company manages this risk by providing added value services to its clients and by maintaining strong client relationships. The company recruits and seeks to retain the most talented people by supporting them to expand their skills and capabilities.

The company operates in a global environment with 27% of its revenue derived from clients based in the European Union and which could be impacted by Brexit. However, given the unique nature of the company's offerings, development of new client solutions and based on ongoing discussions with our EU based clients we continue to closely monitor and mitigate this risk.

The company's principal financial assets are cash, trade and other receivables the carrying values of which represent the company's maximum exposure to credit in relation to financial assets.

The company's credit risk is primarily attributable to its trade receivables. The majority of the company's trade receivables are due from large national or multinational companies where the risk of default is considered low. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The Covid-19 pandemic has not impacted the Company's revenues through 2020, however it has impacted the business operations and the way of working. Although we are unable to predict the future impact of this pandemic, we believe the industry we operate within remains strong and we therefore do not see a significant adverse impact to financials.

We have seen a number of clients look at alternative ways of utilising budgets and this engagement has increased as we moved through 2020 and into 2021. Our people's wellbeing also remains a key focus through the pandemic and we are continuing to support our people whilst also ensuring we deliver to our clients.

The Directors will continue to monitor, review and take the appropriate steps to respond to the impact of the Covid-19 pandemic in the Company. The extent of the impact of Covid-19 will depend on future developments which are highly uncertain and cannot be reliably predicted.

Brexit - The Company operates in a global marketplace, therefore, at this point in time we don't anticipate Brexit will have an immediate nor long term impact to the company. However, the management team will continue to monitor the situation now the UK has officially moved out of the EU.

A majority of the company's sales in Europe and the rest of the world are made in foreign currency and the company is therefore exposed to the movement of these currencies against the Pound exchange rate.

WPP plc, the ultimate parent company, takes out contracts to manage this risk at group level.

Future developments
The directors expect the general level of activity to increase in the forthcoming year, as a result of a number of planned activities. The company anticipates further business opportunities by leveraging new relationships with Medical Communication agencies within the WPP group. The company has also completed the development of the next generation Superfly tool and several add-ons that will be sold

as discrete modules. This should generate revenue through system upgrades as well as new sales the company have employed new team members to support the sales and business development.

Approved by the Board of Directors
and signed on behalf of the Board on
20 May 2021

S Singhvi
Director

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

Going concern
The directors have a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

In light of the recent Covid-19 pandemic, management have reviewed the going concern to assess the risk of future trading. On the basis that trading was not impacted through 2020 and forecasts for 2021 show marginal growth year on year we are confident that the business will continue to generate a profit and continue to hold a strong cash position.

Environment
The WPP group recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies, which are described in the group's Corporate Responsibility Report which does not form part of this Report. Initiatives designed to minimise the company's impact on the environment include improving our energy use efficiency, paper use and recycling.

Results and dividends
The profit for the year ended 31 December 2019 was £1,548,556 (2018: profit £982,149) and has been transferred to reserves. A dividend of £Nil was paid during the year ended 31 December 2019 (2018: £Nil). The directors paid an interim dividend of £2,000,000 in 2020.

Directors
The directors during the financial year and up to signing date, are as follows:
S Singhvi
C Sabel

Directors Indemnities
Qualifying indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by Company law and the Company's Articles of Association, in respect of any liability arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company and any of its subsidiaries. The Company has purchased and maintains Directors' and Officers' insurance cover against certain legal liabilities and costs for claims in connection with any act or omission by its Directors and officers in the execution of their duties.

System Analytic Limited
Directors' Report (continued)

Research & Development

The company claims R&D credits due to the innovative nature of its business. This is covered in the notes to the accounts. The company incurred a cost of £348,280 (2018: £125,275) in research and development costs relating to the development of digital tools and databases.

Future developments and events after the balance sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic Report on page 2-3 and form part of this report by cross-reference.

Financial risk management objectives and policies

Details of financial risk management objectives and policies can be found in the Strategic Report on page 2-3 and form part of this report by cross-reference.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

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

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to re-appoint them as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board by

S Singhvi
Secretary
20 May 2021

Directors' responsibilities statement

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Independent auditor's report to the members of System Analytic Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of System Analytic Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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.

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

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

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
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 considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and UK Corporation Tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included UK Health and Safety legislation, the UK Anti Bribery and Corruption Act, UK Anti Money Laundering and Terrorist Financing regulations, and UK Data Protection legislation.

Independent auditor's report to the members of System Analytic Limited

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud arose in respect of revenue recognition on open projects at the year end, where revenue is recognised over time based on the services delivered. This is due to significant management judgement applied in determining the stage of completion of the open projects and the amount of revenue to be recognised. To address this risk, we: (i) assessed the design and implementation of the controls over revenue recognition; (ii) performed substantive audit procedures over this revenue stream including agreeing to final invoices, client contracts/purchase orders/statements of work, and to project management reports; (iii) and, for the open projects at year end, obtained evidence to evaluate the stage of completion, recalculated the revenue recognised and investigated any differences.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

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

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

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

- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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.

Jon Young, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

20 May 2021

System Analytic Limited
Profit and loss account for the year ended 31 December 2019

	Notes	Year ended December 2019 £	Year ended 31 December 2018 £
Turnover	2	6,833,225	5,117,795
Cost of sales		(966,042)	(765,900)
Gross profit		5,867,184	4,351,895
Administrative expenses		(3,949,757)	(3,143,352)
Profit before taxation	3	1,917,427	1,208,543
Tax on profit	6	(368,871)	(226,394)
Profit after taxation		1,548,556	982,149

All results are from continuing operations.

The company had no recognised gains or losses other than those reflected in the profit and loss account in either year. Consequently, no separate statement of other comprehensive income is presented.

The accompanying notes form an integral part of this profit and loss account.

System Analytic Limited
Balance Sheet as at 31 December 2019

	Notes	31 December 2019 £	31 December 2018 £
Fixed assets			
Tangible assets	8	24,807	12,240
Current assets			
Debtors	9	2,747,574	3,698,973
Cash at bank and in hand		5,288,992	2,191,689
		8,036,566	5,890,662
Creditors: amounts falling due within one year	10	(3,361,825)	(2,751,910)
Net current assets		4,674,741	3,138,752
Total assets less current liabilities		4,699,548	3,150,992
Net assets		4,699,548	3,150,992
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account		4,699,448	3,150,892
Shareholders' funds		4,699,548	3,150,992

The financial statements of System Analytic Limited (registered number 05670865) were approved and authorised for issue by the Board of Directors on 20 May 2021.

The accompanying notes form an integral part of this Balance Sheet.

Signed on behalf of the Board of Directors

S Singhvi
Director

System Analytic Limited
Statement of Changes in Equity for the period to 31 December 2019

	Notes	Called up share capital	Profit and loss account	Total
		£	£	£
At 1 January 2018		100	2,168,743	2,168,843
Profit for the financial period		-	982,149	982,149
At 31 December 2018		100	3,150,892	3,150,992
Profit for the financial period		-	1,548,556	1,548,556
At 31 December 2019		100	4,699,448	4,699,548

The accompanying notes form an integral part of this Statement of Changes in Equity.

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding year.

Basis of accounting
System Analytic Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act and registered in England & Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the business review on page 2.

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the company as a qualifying entity has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets, revenue recognition and related party transactions. Where required, equivalent disclosures are given in the group accounts of WPP Group plc. The group accounts of WPP Group plc are available to the public and can be obtained as set out in note 16.

Application of new and revised International Financial Reporting Standards (IFRSs)
For the purposes of the preparation of these financial statements, the company has applied all standards and interpretations that are effective for accounting periods beginning on or after 1 January 2019

Adoption of new and revised standards
In the current year, the Company has applied a number of amendments to IFRS Standards issued by the International Accounting Standards Board that are mandatorily effective for an accounting period that begins on or after 1 January 2019.

IFRS 16 came into effect from 1 January 2019. The standard eliminates the classification of leases as either operating or finance leases and introduces a single accounting model. Lessees are required to be recognise a right-of-use asset and related lease liability for their operating leases and show depreciation of leased assets and interest on lease liabilities separately in the income statement. IFRS 16 requires the Company to recognise substantially all of its operating leases on the balance sheet.

1 Accounting policies (continued)

Adoption of new and revised standards (continued)
The Company has adopted IFRS 16 effective 1 January 2019 on a modified basis and applied the standard retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application as an adjustment to retained earnings. Accordingly, prior year financial information has not been restated and will continue to report under IAS 17 Leases.

The adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in sterling (£), which is the Company's functional currency.

Going concern
The company has adequate financial resources with which to support itself. Consequently, the directors believe that the company is well placed to manage its business risks successfully despite the continuing uncertain economic outlook. The company's position is strong with revenue growing year on year, net assets of £4,699,548 (2018: £3,150,992) and cash of £5,288,992 (2018: £2,191,689).

Covid-19 has not had an immediate impact on the financial performance of the business, and the company has seen year on year sales growth. Although the directors are unable to predict the future impact of this pandemic, the directors believe the industry in which the company operates within remains strong and the directors do not see a significant adverse impact to financials through the next 12 months.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The directors have reviewed the company's current revenues and profit margin and have made a forecast for the following year and expect to see growth in both areas as a direct impact of the development of new tools for sale and new team to develop the business.

Turnover
Turnover comprises amounts invoiced to clients, including disbursements on behalf of clients, together with fees invoiced for other services. Turnover excludes value added tax.

Taxation
Corporation tax payable is provided on taxable profits at the current rate except to the extent losses are transferred from another group company under the group relief provisions, without corresponding payment by the claimant company.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets are not discounted.

1 Accounting policies (continued)

Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost less accumulated depreciation and impairment. Depreciation of other tangible fixed assets is made on a straight-line basis at 25% per annum for furniture and 33.33% per annum for other equipment.

Impairment
At each balance sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Work in progress
Disbursements made on behalf of and recoverable from clients are shown as work in progress. Costs exclude salary costs or any element of profit.

Debtors – amounts falling due within one year
Trade debtors, other debtors and prepayments and accrued income have fixed or determinable payments that are not quoted in an active market are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Trade debtors are amounts due from clients for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Creditors – amounts falling due within one year
The Company initially recognises its financial liabilities at fair value and subsequently they are measured at amortised cost using the effective interest method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Translation of foreign currencies
Assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

1 Accounting policies (continued)

Transactions in currencies other than the functional currency are recorded at the rate of exchange at the date of transaction. Exchange differences arising are taken to the profit and loss account.

Operating leases
Rentals in respect of operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Pensions
The Company operates defined contribution schemes for the benefit of its employees. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Critical accounting judgments and key sources of estimation/uncertainty
In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies
The were no critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and which had a significant effect on the amounts recognised in financial statements.

Key sources of estimation uncertainty
The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Research & development tax credit
The company claims R&D tax credits on the amount of attributable work which is carried out each year. The credit is recognised in the accounts based on actual qualifying expenditure incurred.

The qualifying expenses of £348,280 relate to the development of digital tools and databases.

Revenue recognition

Revenue is measured at the fair value if the consideration received or receivable and represents amounts receivable for services rendered stated net of discounts and value added taxes. The company recognises revenue when performance obligations have been satisfied and for the company this is when the service is performed.

2 Turnover

An analysis of the Company's turnover is as follows:

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Continuing operations		
Rendering of services	6,833,225	5,117,795
By geographical origin:		
UK	6,833,225	5,117,795
By geographical destination:		
UK	1,766,526	440,957
Europe	1,946,540	2,407,040
Rest of World	3,120,159	2,269,798
	6,833,225	5,117,795

All turnover relates to the provision of databases and online tools to enable pharmaceutical companies to identify, map and engage key opinion leaders across a broad range of medical.

3 Profit for the year

Profit for the year is stated after charging:

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Staff costs (Note 4)	2,348,523	1,993,985
Depreciation - owned assets	10,403	4,139
Fees payable to the company's auditor for the audit of the company's annual accounts	44,163	29,239
Loss on foreign exchange	97,726	8,066

4 Staff costs

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Wages and salaries	2,092,586	1,770,108
Social security costs	186,324	177,456
Pension contributions	69,613	46,421
	2,348,523	1,993,985

The average monthly number of persons employed by the company during the year was as follows:	Year ended 31 December 2019 No	Year ended 31 December 2018 No
Marketing, database administration and selling	47	37
Administration	1	1
	48	38

5 Directors' remuneration and transactions

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Emoluments	205,587	163,056
Pension contributions	-	-
	205,587	163,056

Please note that of the two directors, one is paid for by System Analytic Limited and their remuneration is disclosed within this note. The directors' emoluments and other service costs for the other director are paid by a fellow group undertaking.

Remuneration of the highest paid director:	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Emoluments	205,587	163,056
Pension contributions	-	-
	205,587	163,056

6 Tax on profit

The tax charge comprises

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Current taxation		
Corporation tax at 19% (2018: 19%)	364,311	229,623
Adjustments in respect of prior years	(3,229)	(4,061)
	368,872	226,394

Corporation tax payable is provided on taxable profits at the current rate, except to the extent that the losses are transferred from another group company under the group relief provisions, without corresponding payment by the claimant company. A deferred tax asset of £1,473 (2018: £834) has been recognised in respect of capital allowances in excess of depreciation as it is probable that there will be sufficient taxable profits against which the asset will reverse in the future.

Finance Bill 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. However, in the March 2020 Budget it was announced that the reduction in the UK rate to 17% will now not occur and the Corporation Tax Rate will be held at 19%. As substantive enactment is after the balance sheet date, deferred tax balances as at 31 December 2019 continue to be measured at a rate of 17%.

The actual tax charge for the current and the previous year does not equal the standard rate for the reasons set out in the following reconciliation.

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Profit before tax	1,917,427	1,208,543
Tax on profit at standard rate of 19% (2018: 19%)	364,311	229,623
Factors affecting charge for the year:		
Expenses not deductible for tax purposes	7,286	824
Depreciation in excess of capital allowances	503	8
Adjustments to tax charge in respect of previous periods	(3,229)	(4,061)
Total actual amount of current tax	368,871	226,394

7 Tangible fixed assets

	£ Equipment fixtures and fittings
Cost	
At 1 January 2019	20,910
Additions	22,970
Disposals	(1,737)
At 31 December 2019	42,143
Depreciation	
At 1 January 2019	8,670
Charge for the year	10,403
Disposals	(1,737)
At 31 December 2019	17,336
Net book amount	
At 31 December 2018	12,240
At 31 December 2019	24,807

8 Debtors – amounts falling due within one year

	31 December 2019 £	31 December 2018 £
Trade debtors	2,316,967	3,421,323
Amounts owed by fellow group undertakings	8,008	-
Other debtors	27,485	52,611
Prepayments and accrued income	395,113	225,039
	2,747,573	3,698,973

9 Creditors: amounts falling due within one year

	31 December 2019 £	31 December 2018 £
Trade creditors	229,375	60,926
Amounts owed to fellow group undertakings	301,757	97,323
Other taxation and social security	1,105,190	652,962
Accruals and deferred income	1,725,504	1,940,699
	3,361,826	2,751,910

All amounts owed to parent and fellow Group subsidiary undertakings are repayable on demand. Amounts owed to fellow Group subsidiary undertakings relate to the balance owing for costs incurred in the normal course of business and the balances owing are at 0% interest rate.

10 Share Capital

	31 December 2019 £	31 December 2018 £
100 authorised, issued, allotted and fully paid £1 Ordinary shares	100	100

The Company has one class of ordinary shares which carry no right to fixed income.

11 Financial guarantees and commitments

At 31 December 2019 the company had un-provided capital commitments of £nil (2018: £nil).

12 Operating lease arrangements

Lease payments under operating leases recognised as an expense in the period

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Lease payments under operating leases recognised as an expense in the period	190,347	180,556

As at the balance sheet date the Company had outstanding commitment for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	31 December 2019 £	31 December 2018 £
Within one year	-	14,400

13 Related party transactions

Other than the directors' remuneration, analysed under the headings required by Company law and as set out in Note 5, there were no transactions between related parties during the year ended 31 December 2019 (2018: Nil).

14 Events after the balance sheet date

Covid-19 has had no impact financially to the business through 2020 and 2021 forecasts suggest the business will continue to show topline growth. We re-opened our offices in May 2021 allowing a maximum capacity of 50%. We are continuing to monitor government guidelines as we hope to increase capacity as we move through 2021.

Brexit formerly happened in January 2021 and to date we have not seen, and nor do we expect to see any impact on the business.

15 Ultimate parent company and controlling party

The directors regard WPP Group (UK) Limited, a company incorporated in the United Kingdom, registered in England and Wales and whose registered office is 18 Upper Ground, London, United Kingdom, SE1 9GL, as the immediate parent company and WPP plc, whose registered office is Queensbury House, Hilgrove Street, St. Helier, Jersey, JE1 1ES, a company incorporated in Jersey, as the ultimate parent company and the ultimate controlling party.

At the year end the parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is WPP plc, incorporated in Jersey. The parent undertaking of the smallest such group is WPP Group (UK) Limited (registered office: 18 Upper Ground, London, United Kingdom, SE1 9GL), incorporated England and Wales.

Copies of the financial statements of WPP plc are available at www.wppinvestor.com. Copies of the financial statements of WPP Group (UK) can be obtained from Sea Containers House, 18 Upper Ground London, SE1 9GL.