Company Registration No. 05670865

VMLY&R KOL Insights and Digital Solutions Limited (Previously known as System Analytic Limited)

Report and Financial Statements

For the year ended 31 December 2021

VMLY&R KOL Insights and Digital Solutions Limited
Report and financial statements 2021

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Report and financial statements 2021

Officers and professional advisers

Directors
S Singhvi
C Sabel

Registered Office
18 Upper Ground
London
SE1 9GL
United Kingdom

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

Auditor
Deloitte LLP
Statutory Auditor
London
United Kingdom

VMLY&R KOL Insights and Digital Solutions 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 12, the company's turnover of £7,769,040 for the year ended 31 December 2021 compares to £7,299,135 for the year ended 31 December 2020. This movement is due to increased trading activity across all clients. The resulting profit before tax was £940,704 in the year ended 31 December 2021 and £1,022,651 in the year ended 31 December 2020. The year on year decrease in profit is primarily driven by an increase in office and shared service fee charges, prior years these had been fixed at a reduced amount.

Key financial performance indicators
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 12.11% in the year ended 31 December 2021, compared to year ended 31 December 2020 of 14.01% and reflects continued investment in the company's database.

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.

Environmental matters and streamlined energy and carbon reporting (SECR)
The Company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations. As the Company is a UK subsidiary of WPP plc, its SECR reporting details are included, together with the other Group subsidiaries, in the WPP plc Annual report. Refer to pages 214-217 of the Annual report of WPP plc available at wpp.com/investors for more information.

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'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.

Covid-19 pandemic
The extent of the continued impact of the Covid-19 pandemic on our business will depend on numerous factors that we are not able to accurately predict, including the duration and scope of the pandemic, any existing or new variants, government actions to mitigate the effects of the pandemic and the intermediate and long-term impact of the pandemic on our clients' spending plans.

We are continuing to manage the risk by constantly monitoring our working capital position, supported by actions to maintain liquidity including cost reduction and cash conservation.

Economic and credit risk
Adverse economic conditions, including those caused by the pandemic, invasion of Ukraine by Russia, sustained inflation in key markets where we operate and supply chain issues affecting the distribution of our clients' products pose a risk our clients may reduce, suspend or cancel spend with us or be unable to satisfy obligations. The Company is subject to credit risk through the default of a client or other counterparty.

The Company is working closely with our clients during this period of economic uncertainty to ensure timely payment of services in line with contractual commitments and with vendors to maintain the settlement flow on media.

Liquidity risk
Given the strong cash generation of the business, the Directors believe there is sufficient liquidity to match its requirements for the foreseeable future

Cash Pooling
From December 2021, following an update to Group policy, the Company's syndicated banking arrangements with the Group have been restructured into 'zero balancing' pooling arrangements with a fellow Group company acting as the cash pool leader of these cash pools within the UK. All such receivables and/or payables shall be short term in nature and the Company, as a participant in the cash pooling arrangements, can transact as normal on its bank accounts, notwithstanding that any cash and/or overdraft will be held by the cash pool leader.

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.

Duty to promote the success of the company
The Directors of all UK companies must act in accordance with a general set of duties. These duties are detailed out in section 172 of the UK Companies Act 2006. The Directors believe that they have acted in a way that has promoted the success of the company for the benefit of its members as a whole. In doing this, section 172 requires the directors to have regard, among other matters, to:

(a) The likely consequences of any decision in the long term.
(b) The interest of the company's employees.
(c) The need to foster the company's business relationship with suppliers, customers and others.
(d) The impact of the company's operations on the community and the environment.
(e) The desirability of the company maintaining a reputation for high standards of business conduct.
(f) The need to act fairly as between members of the company.

VMLY&R KOL Insights and Digital Solutions Limited
Strategic Report

Consequences of any long-term decisions
The business philosophy of the company is to create long term value for both clients and shareholders alike. We build our business and all our relationships with integrity and treat our clients' money like its our own making sure all budgets maximise the best output to achieve the clients' goals. We endeavour to attract and retain high calibre individuals who will grow with us over the long term and ensure employees think and act like owners in all their decisions. We also strive to retain profitability as this will lead to growth in the long term.

Employees
The company is committed to diversity and inclusion and offering equal opportunities to all people in their recruitment, training and career development. The company will select people based on qualification and merit, without discrimination or concern for race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.

Business relationship with suppliers, customers and others
The cultivation of strong relationships with major suppliers is a focus of the company to ensure continuity of supply at competitive prices. It is a policy of the company to agree terms of payment when orders for good and services are placed and to adhere to these arrangements when making payments, provided the relevant goods and services have been supplied in accordance with the contract.
The company has worked with both suppliers and customers to understand the impact of the Covid-19 pandemic in the supply chain and have ensured that all proper precautions have taken place to manage the safety of all.

We comply with the Modern Slavery Act (MSA) and we fully support the principles of the MSA.

Community and Environment

The company considers its impact on the wider community and environment of its business activities. The company adheres to the Sustainability Policy which can be found on the website of the ultimate parent company at wpp.com. The policy includes objectives focusing on key impacts under our control and influence such as minimising the impact from energy use, transport, consumption of paper, water use and managing any sustainability risks in our supply chain.

Business conduct
The company has a number of key policies, including modern slavery, anti bribery and corruption and data protection, all of which can be found on the website of the ultimate parent company at wpp.com. The company has a zero-tolerance approach to corruption and bribery and policies are in place for areas such as ethical business relationships with customers, suppliers and employees, gift giving and receiving, charitable donations and competition laws. As part of this effort, all employees are mandated to complete in depth anti bribery and corruption training.

Acting fairly as between members of the company
As a wholly owned subsidiary of WPP plc, the interests of the company are aligned with those of its ultimate parent company.

Approved by the Board of Directors
and signed on behalf of the Board on
30 September 2022

DocuSigned by:
Sanjay Singhvi
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S Singhvi
Director

VMLY&R KOL Insights and Digital Solutions Limited
Directors' Report (continued)

The directors present their annual report and the audited financial statements for the year ended 31 December 2021.

Information disclosed in the strategic report

The following information has been disclosed in the strategic report and forms part of this report by cross reference:

- Business review
- Engagement with suppliers, customers and others

Going concern and liquidity risk
The Directors have assessed the ongoing business activities and the potential impact that the Covid-19 pandemic, Russian invasion of Ukraine and general global economic conditions may have on the liquidity, performance and financial position of the Company for at least the next 12 months from the date of signing the financial statements.

In line with the Group approach, the Company's forecasts and projections take account of (i) reasonably possible declines in revenue less pass-through costs; and (ii) remote declines in revenue less pass-through costs for stress-testing purposes as a consequence of the Covid-19 pandemic compared to 2021. The impact of the Russian invasion of Ukraine and sanctions response from governments has been considered.

The Company has net assets of £4,288,494 and can therefore meet its short and long-term obligations as they fall due.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least the next 12 months from the date of signing the financial statements. Additionally, the Company is a subsidiary of WPP plc and is part of the cash pooling arrangements.

The Directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

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 2021 was £762,665 (2020: profit £826,281) and has been transferred to reserves. No dividend was paid during the year ended 31 December 2021 (2020: £2,000,000). The Directors do not suggest dividend distribution for the year ended 31 December 2022.

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.

Research & Development
The company claims R&D credits due to the innovative nature of its business. The company incurred a cost of £443,474 (2020: £318,549) 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 can be found in the Strategic Report on page 3 and form part of this report by cross-reference. Post balance sheet events are disclosed in Note 14 to the financial statements.

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

DocuSigned by:
Sanjay Singhvi
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S Singhvi
Director
30 September 2022

VMLY&R KOL Insights and Digital Solutions Limited
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 judgements and accounting estimates that are reasonable and prudent;
- state whether the UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 VMLY&R KOL Insights and Digital Solutions Limited

Report on the audit of the financial statements

Opinion
In our opinion the financial statements of VMLY&R KOL Insights and Digital Solutions Limited ('the Company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 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.

Independent auditor's report to the members of VMLY&R KOL Insights and Digital Solutions 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.

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 the UK Companies Act and the UK tax legislations; and

Independent auditor's report to the members of VMLY&R KOL Insights and Digital Solutions Limited

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

- 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 the UK Bribery Act and UK employment legislations.

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 in the following areas, and our specific procedures performed to address it are described below:

- Revenue recognition relating to open projects at year end - Revenue recognition in relation to the company's open contracts are accounted for on a percentage completion basis and therefore there is judgement involved in estimating the costs to complete. We assessed the accuracy of managements estimates of costs to complete against the company's work plans and inquired with those relevant project managers.

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:

- o 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;
- o performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- o enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- o 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.

Independent auditor's report to the members of VMLY&R KOL Insights and Digital Solutions Limited

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.

DocuSigned by:
J. Z
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Jon Young, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
30 September 2022

VMLY&R KOL Insights and Digital Solutions Limited
Profit and loss account for the year ended 31 December 2021

	Notes	Year ended December 2021 £	Year ended 31 December 2020 £
Turnover	2	7,769,040	7,299,135
Cost of sales		(1,202,004)	(1,003,516)
Gross profit		6,567,036	6,295,619
Administrative expenses		(5,626,333)	(5,272,968)
Profit before taxation	3	940,704	1,022,651
Tax on profit	6	(178,039)	(196,370)
Profit for the financial year		762,665	826,281

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 years. Consequently, no separate statement of other comprehensive income is presented.

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

VMLY&R KOL Insights and Digital Solutions Limited
Balance Sheet as at 31 December 2021

	Notes	31 December 2021 £	31 December 2020 £
Fixed assets			
Tangible assets	7	15,775	16,607
Current assets			
Debtors	8	9,684,308	3,324,513
Cash at bank and in hand			5,512,191
		9,684,308	8,836,704
Creditors: amounts falling due within one year	9	(5,411,589)	(5,327,481)
Net current assets		4,272,719	3,509,222
Total assets less current liabilities		4,288,494	3,525,829
Net assets		4,288,494	3,525,829
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account		4,288,394	3,525,729
Shareholders' funds		4,288,494	3,525,829

The financial statements of VMLY&R KOL Insights and Digital Solutions Limited (registered number 05670865) were approved and authorised for issue by the Board of Directors on 30 September 2022.

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

Signed on behalf of the Board of Directors

DocuSigned by:
Sanjay Singhvi
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S Singhvi
Director

VMLY&R KOL Insights and Digital Solutions Limited
Statement of Changes in Equity for the period to 31 December 2021

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2020	100	4,699,448	4,699,548
Profit for the financial year and total Comprehensive profit for the year	-	826,281	826,281
Dividends paid	-	(2,000,000)	(2,000,000)
At 31 December 2020	100	3,525,729	3,525,829
Profit for the financial year and total comprehensive profit for the year	-	762,665	762,665
At 31 December 2021	100	**4,288,394**	**4,288,494**

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

VMLY&R KOL Insights and Digital Solutions Limited
Notes to the financial statements year ended 31 December 2021

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
VMLY&R KOL Insights and Digital Solutions Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 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 15.

Impact of initial application of amendments to IFRS standards and Interpretations
In the current year, the Company has applied a number of amendments to IFRS standards and interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after 1 January 2021. Their 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 £4,288,494 (2020: £3,525,829).

Covid-19 has not had a material 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 opeartes within remains strong and the directors do not see a signifiacnt adverse impact to financials through the next 12 months.

1 Accounting policies (continued)

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
Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance of contractual obligations. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

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.

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.

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.

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.

1 Accounting policies (continued)

Financial instruments
Financial assets and financial liabilities are recognized in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.
Debtors – amounts falling due within one year
Trade debtors, other debtors and prepayments 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.

Expected credit losses
Trade receivables are stated net of provisions for bad and doubtful debts.
The Company has applied the simplified approach to measuring expected credit losses, as permitted by IFSR 9. Therefore, the company does not track changes in credit risk, but recognises a loss allowance based on the financial asset's lifetime expected credit loss. The company measures expected credit losses based on the ageing of the receivable, based on historical experience and informed credit assessment.
Given the short-term nature of the Company's trade receivables, work in progress and accrued income, which are mainly due from large national or multinational companies, the Company's assessment of expected credit losses includes provisions for specific clients and receivables where the contractual cash flow is deemed at risk.

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.

Accrued and deferred income
Accrued income is a contract asset and is recognised when a performance obligation has been satisfied but has not yet been billed. Contract assets are transferred to receivables when the right to consideration is unconditional and billed per the terms of the contractual agreement.

In certain cases, payments are received from customers or amounts are billed with an unconditional right to receive consideration prior to satisfaction of performance obligations and recognised as deferred income. These balances are considered contract liabilities.

1 Accounting policies (continued)

Leases
The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Applying IFRS 16, the Company:

(a) Recognises right-of-use assets and lease liabilities in the balance sheet, initially measured at the present value of the future lease payments;

(b) Recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as tablet and personal computers, small items of office furniture and telephones), the Company has opted to recognise a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within 'other operating expenses' in profit or loss.

The company has not recognized an ROU asset or lease liability in the balance sheet due to the nature of the inter-company cost sharing arrangement between the company (sub-tenant) and WPP Health Limited (master tenant who holds the lease with the third-party landlord) which does not meet the criteria for a lease under IFRS 16.

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.

VMLY&R KOL Insights and Digital Solutions Limited
Notes to the financial statements year ended 31 December 2021

1 Accounting policies (continued)

Critical accounting judgments and key sources of estimation/uncertainty

In the application of the Company's accounting policies, which are described above, 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.

The following are the critical judgements, apart from those involving estimations (which are dealt with separately), that the Directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

Judgement is required regarding the timing of recognition, particularly in relation to assessing progress on performance obligations where revenue is recognised over time. Further details are set out in the accounting policy.

Key sources of estimation uncertainty

There are no material sources of estimation uncertainty.

VMLY&R KOL Insights and Digital Solutions Limited
Notes to the financial statements year ended 31 December 2021

2 Turnover

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

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Continuing operations		
Rendering of services	7,769,040	7,299,135
By geographical origin:		
UK	7,769,040	7,299,135
By geographical destination:		
UK	1,209,061	1,640,666
Europe	2,401,567	1,470,198
Rest of World	4,158,412	4,188,271
	7,769,040	7,299,135

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 2021 £	Year ended 31 December 2020 £
Staff costs (Note 4)	2,964,480	2,523,394
Depreciation - owned assets	13,378	11,205
Fees payable to the company's auditor for the audit of the company's annual accounts	32,285	23,918
Loss on foreign exchange	78,368	104,744

4 Staff costs

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Wages and salaries	2,513,852	2,180,644
Social security costs	292,822	248,861
Pension contributions	157,807	93,889
	2,964,480	2,523,394

The average monthly number of persons employed by the company during the year was as follows:	Year ended 31 December 2021 No	Year ended 31 December 2020 No
Marketing, database administration and selling	59	56
Administration	1	1
	60	57

5 Directors' remuneration and transactions

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Emoluments	177,800	175,000
Pension contributions	-	-
	177,800	175,000

Please note that of the two directors, one is paid for by VMLY&R KOL Insights and Digital Solutions 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 2021 £	Year ended 31 December 2020 £
Emoluments	177,800	175,000
Pension contributions	-	-
	177,800	175,000

6 Tax on profit

The tax charge comprises

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Current taxation		
Corporation tax at 19% (2019: 19%)	181,375	198,775
Adjustments in respect of prior years	(2,947)	(1,473)
Deferred tax credit	(390)	(932)
	178,039	196,370

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 £390 (2020: £932) 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.

The UK tax rate for the year ended 31 December 2021 is 19%. In the UK Budget on 3 March 2021, the Chancellor of the Exchequer announced an increase in the UK corporation tax rate from 19% to 25%, which is due to be effective from 1 April 2023. The change was enacted at the balance sheet date, and deferred tax balances have been remeasured accordingly at 25% (2020: 19%).

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 2020 £	Year ended 31 December 2020 £
Profit before tax	940,704	1,022,651
Tax on profit at standard rate of 19% (2019: 19%)	178,734	194,304
Factors affecting charge for the year:		
Expenses not deductible for tax purposes	3,575	3,886
Depreciation in excess of capital allowances	(846)	(347)
Adjustments to tax charge in respect of previous periods	(2,947)	(1,473)
Movement in other temporary differences	(477)	-
Total actual amount of current tax	178,039	196,370

7 Tangible fixed assets

	£ Equipment fixtures and fittings
Cost	
At 1 January 2021	45,148
Additions	12,546
Disposals	(522)
At 31 December 2021	57,172
Depreciation	
At 1 January 2021	28,541
Charge for the year	13,378
Disposals	(522)
At 31 December 2021	41,398
Net book amount	
At 31 December 2020	16,607
At 31 December 2021	15,775

8 Debtors: amounts falling due within one year

	31 December 2021 £	31 December 2020 £
Trade debtors	1,625,838	2,776,663
Amounts owed by fellow group undertakings	7,847,254	191,135
Other debtors	77,224	1,280
Prepayments and accrued income	133,972	355,435
	9,684,308	3,324,513

Included within amounts owed by Group undertakings is a balance of £7,632,635 which is an inter-group loan with a fellow Group company in relation to the cash pooling arrangement, and attracted an interest rate of between 0.15% and 0.4938% as at 31 December 2021.

9 Creditors: amounts falling due within one year

	31 December 2021 £	31 December 2020 £
Trade creditors	154,456	419,288
Amounts owed to parent and fellow group undertakings	1,868,633	1,491,130
Other taxation and social security	1,477,496	1,280,428
Accruals and deferred income	1,911,005	2,136,636
	5,411,589	5,327,481

All amounts owed to parent and fellow Group subsidiary undertakings are repayable on demand and are unsecured. 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 2021 £	31 December 2020 £
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 2021 the company had un-provided capital commitments of £nil (2020: £nil) and there were no guarantees and commitments events during the reporting period.

12 Inter company cost sharing arrangements

At the balance sheet date, the company has outstanding commitments for future minimum payments under inter company cost sharing arrangements for the use of office space as follows. These do not constitute a lease under IFRS16 and have therefore been disclosed as future financial commitments:

	2021 Land and buildings £	2020 Land and buildings £
Agreements expiring:		
- within one year	272,460	247,976
- between two and five years		
-After five years		
Total	272,460	247,976

13 Related party transactions

The company has taken advantage of the exemption in IAS 24 not to disclose transactions with other WPP Group companies as it is ultimately 100% owned by WPP plc, the consolidated financial statements of which are publicly available.

14 Events after the balance sheet date

No post balance sheet events occurred after end of the reporting period.

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 2008 Limited, incorporated in Great Britain. WPP 2008 Limited registered address is Sea Containers, 18 Upper Ground, London, SE1 9GL United Kingdom.

Copies of the financial statements of WPP plc are available at www.wppinvestor.com. Copies of the financial statements of WPP 2008 Limited can be obtained from WPP Group (UK) Limited, Sea Containers, 18 Upper Ground, London, SE1 9GL United Kingdom.

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In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
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Certified Delivered	Security Checked	9/30/2022 9:45:23 AM

Envelope Summary Events	Status	Timestamps
Signing Complete	Security Checked	9/30/2022 9:45:27 AM
Completed	Security Checked	9/30/2022 9:45:27 AM

Payment Events	Status	Timestamps