

COMPANY REGISTRATION NUMBER: 12106454

Oxford Economics Group Limited

Financial Statements

For the year ended

31 July 2020

Oxford Economics Group Limited

Financial Statements

Period from 16 July 2019 to 31 July 2020

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	6
Independent auditor's report to the members	9
Consolidated income statement	13
Consolidated statement of comprehensive income	14
Consolidated statement of financial position	15
Company statement of financial position	16
Consolidated statement of changes in equity	17
Company statement of changes in equity	19
Consolidated statement of cash flows	20
Notes to the financial statements	22

Oxford Economics Group Limited

Officers and Professional Advisers

The board of directors

A Cooper

J Walker

Registered office

Abbey House

121 St Aldates

Oxford

OX1 1HB

Auditor

Townends Accountants Limited

Chartered Accountants & statutory auditor

Fulford Lodge

1 Heslington Lane

Fulford

YORK

YO10 4HW

Oxford Economics Group Limited

Strategic Report

Period from 16 July 2019 to 31 July 2020

Business Review Oxford Economics Group provides independent forecasting and analysis tailored to the needs of economists and planners in government and business. It is now one of the world's leading providers of economic analysis, advice and models, with over 2,000 clients including international organisations, government departments and central banks in many countries, and a large number of multinational blue-chip companies across the whole industrial spectrum. The Group's services include: - International macroeconomic, sectoral and regional forecasts - with country briefing reports covering 200 countries; detailed projections for over 100 sectors; and forecasts for over 7,000 local areas globally. - Economic impact assessments - analysing the economic and social contribution of particular sectors, investment projects or tax proposals. - Economic policy advice - on a range of macro and micro issues. - Thought leadership - drawing on a full array of quantitative and qualitative research methods - from expert panels and corporate interviews to market surveys and impact analysis - to create actionable decision support for executives and policymakers. - Bespoke econometric modelling - building detailed forecasting and simulation models and training clients' staff to use them to support budget planning and policy decision-making. - Detailed market analysis - translating the Company's economic forecasts into forecasts for market segments and providing advice on market opportunities. - Briefings for ministers, senior officials and executives - both presentations and tailored written reports on key economic issues. - Outsourced economics support - providing data, modelling, briefing and policy advice. Despite the impact of the COVID-19 pandemic, the Group's client base and operations have continued to grow healthily over the last year. The pandemic led to increased demand for the Group's services from clients seeking to understand the economic implications of the crisis and likely profiles for recovery by country, industry and city, and provided a clear demonstration that the data and analysis the Group provides are business-critical. Fortunately, while some employees contracted COVID-19, none were seriously ill, and the workforce has grown over the last year. The Group's services are largely delivered digitally and the substantial investment made in technology in recent years meant that staff were able to switch to remote working without any disruption to its ability to support clients. Other notable achievements over the last year include: - Continued strong performance in terms of new subscription sales. This is a reflection of both the Group's strong product offering and further investment made in expanding the salesforce and implementing a digital marketing strategy to increase inbound leads. - Continued very high renewal rates for subscription revenues, which is a sign of the quality of the products and client support provided.

- Continued strong upselling of existing clients to additional services. This includes both existing users taking a wider range of our services and also an increase in the number of users with client organisations. - Further strengthening of the Group's team of professional economists and analysts. The Group now has over 250 economists/analysts, spread across all regions of the world. - Continued development of the Group's media and social media presence, strengthening the reputation and recognition of the Company's brand. Notably, Oxford Economics has been ranked in the top 100 in the annual Sunday Times HSBC International Track 200 of Britain's private companies with the fastest-growing international sales for three years in succession. The Group is continuing to invest in economists, sales & marketing and IT. Important services recently introduced or in development include: - Further development of the cloud-based version of its Global Economic Model software. The initial version of the Global Economic Model Online was made available to a set of test clients at the start of 2020 in a single tenant format, leading to valuable feedback. Subsequently, a multi-tenant version has been developed to enable a more cost-effective delivery of the system to clients. - Additional development was focused on bringing other aspects of Oxford Economics' modelling suite onto the cloud system. Notably, Oxford's Global Industry Model now operates alongside the Global Economic Model on the same online-platform allowing clients to look at the implications of economic scenarios for over 100 different industrial sectors globally as well as on macroeconomic indicators. - Enhancement of the Global Economic Model to capture both the effects of climate change on the performance of different economies looking out to 2050 and also the effects of policy measures that may be implemented to mitigate climate change. - A new Canadian Provinces and Territories Model was developed in the cloud-based model platform, to enable clients to assess the economic outlook for Canada at a detailed subnational level and, in particular, assess the implications of a variety of detailed climate abatement policies on the relative performance of different provinces. - Development of a new system to allow clients to assess the implications of severe shocks to the global economy, such as the COVID-19 crisis or the global financial crisis. - New data visualisation tools using PowerBI, to improve the way in which Oxford Economics' data is displayed to clients. These tools allow clients to interact with the data in more intuitive ways and to download infographics, charts and tables to use in their own reports. As a result, the business is expected to continue to grow in coming years, with both a deepening of work undertaken on behalf of existing clients and a broadening of the client base.

Financial risk management objectives and policies

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

Liquidity risk

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

Foreign currency risk

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

Trade and other receivables

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

Section 172(1) statement

The Directors believe they have acted in a way they consider, in good faith, to promote the success of the Group for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) of the Companies Act). The success of the Group is the driving factor behind all decisions made by the Directors. Decision-making processes are structured to enable the Directors to evaluate the merit of proposed business activities and new investments, and the likely consequences of its decisions over the short, medium, and long term. The Group's employees are key to its success. That is why the Directors work hard to create jobs and opportunities for all the Group's people, regardless of gender, age, or life stage and have been investing substantially in training and personal development. Maintaining the engagement and commitment of employees is vital, and an annual survey of employees is undertaken to inform the Group's strategy and employee-development initiatives. A working group of employees has also been established to advise management on how to encourage diversity and inclusion in the workforce, and a number of recommendations are being implemented. The Group prioritises its clients' needs in all of its work. This drives the quality of the analysis by its economists and researchers, its highly responsive approach to client service and account management, and its investment in improving its products and introducing new services. The Directors carefully consider the impact of the business on communities and the environments in which the Group operates. They have established a taskforce of employees to advise management on a range of measures to reduce the environmental footprint of the business and improve its sustainability. In all our activities the Directors require that our employees and suppliers conduct business with the highest ethical and professional standards.

This report was approved by the board of directors on 15 July 2021 and signed on behalf of the board by:

A Cooper

Director

Registered office:

Abbey House

121 St Aldates

Oxford

OX1 1HB

Oxford Economics Group Limited

Directors' Report

Period from 16 July 2019 to 31 July 2020

The directors present their report and the financial statements of the group for the period ended 31 July 2020 .

Directors

The directors who served the company during the period were as follows:

A Cooper (Appointed 16 July 2019)

J Walker (Appointed 16 July 2019)

Dividends

The directors do not recommend the payment of a dividend.

Future developments

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

Greenhouse gas emissions and energy consumption

	Unit	31 Jul 20
Emissions resulting from the purchase of electricity by the group for its own use	tCO ₂ e	47
Emissions resulting from the purchase of gas by the group for its own use	tCO ₂ e	37

Total emissions	tCO ₂ e	84
Total energy consumption	kWh	402,866
Energy consumption (kWh) per £1,000 of turnover		11.00

Methodologies for energy and emissions calculations

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

Principal measures taken to increase energy efficiency

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

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

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

Employment of disabled persons

The company operates an equal opportunities policy with regard to recruitment and seeks to offer suitable work and training wherever practicable to persons with disabilities. The policy of the company is to ensure that disabled applicants for employment are given full and fair consideration having regard for their particular aptitudes and abilities. Any disabled employees are given equal access to training, career development and promotion opportunities within the company. In the event of employees becoming disabled while in the employment of the company, all reasonable means would be explored to achieve retention in employment in the same or an alternative capacity.

Employee involvement

An open management policy is operated whereby all members of staff (including part-time and casual staff) are briefed regularly on matters affecting the company by means of regular staff webinars, newsletters and other communications, together with staff appraisals and feedback sessions. In addition, there is an online portal available to all staff where company policies and handbooks are displayed.

Financial instruments

The group's financial instruments comprise bank balances, trade debtors, trade creditors. The main purpose of these instruments is to raise funds for the group's operations. Due to the nature of the financial instruments used by the company there is no exposure to price risk. The group's approach to managing other risks applicable to the financial statements is set out below.

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

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

Disclosure of information in the strategic report

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

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial period. 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). 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 group and the company and the profit or loss of the group 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; - state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; - 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. Auditor

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

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

This report was approved by the board of directors on 15 July 2021 and signed on behalf of the board by:

A Cooper

Director

Registered office:

Abbey House

121 St Aldates

Oxford

OX1 1HB

Oxford Economics Group Limited

Independent Auditor's Report to the Members of Oxford Economics Group Limited

Period from 16 July 2019 to 31 July 2020

Opinion

We have audited the financial statements of Oxford Economics Group Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 July 2020 which comprise the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the group's and of the parent company's affairs as at 31 July 2020 and of the group's loss for the period then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or - the parent company financial statements are not in agreement with the accounting records and returns; or - certain disclosures of directors' remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent 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. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. Use of our report

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

Jeffrey Williamson FCA
(Senior Statutory Auditor)

For and on behalf of

Townends Accountants Limited

Chartered Accountants & statutory auditor

Fulford Lodge

1 Heslington Lane

Fulford

YORK

YO10 4HW

15 July 2021

Oxford Economics Group Limited

Consolidated Income Statement

Period from 16 July 2019 to 31 July 2020

		Period from 16 Jul 19 to 31 Jul 20
	Note	£
Turnover	4	64,524,813
Cost of sales		7,232,848

Gross profit		57,291,965
Administrative expenses		56,099,656
Other operating income	5	209,534

Operating profit	6	1,401,843
Income from other fixed asset investments	10	225
Other interest receivable and similar income	11	55,882
Interest payable and similar expenses	12	210,683

Profit before taxation		1,247,267
Tax on profit	13	(88,146)

Loss for the financial period		1,335,413

Loss for the financial period attributable to:		
The owners of the parent company		(281,723)
Non-controlling interests		1,617,136

		1,335,413

All the activities of the group are from continuing operations.

Oxford Economics Group Limited

Consolidated Statement of Comprehensive Income

Period from 16 July 2019 to 31 July 2020

	Period from 16 Jul 19 to 31 Jul 20 £
Loss for the financial period	1,335,413
Foreign currency retranslation	(149,196)
On group reorganisation	4,284,950

Other comprehensive income for the period	4,135,754

Total comprehensive income for the period	5,471,167

Total comprehensive income for the period attributable to:	
The owners of the parent company	3,813,700
Non-controlling interests	1,657,467

	5,471,167

Oxford Economics Group Limited

Consolidated Statement of Financial Position

31 July 2020

	Note	31 Jul 20
		£
Fixed assets		
Intangible assets	14	4,846,068
Tangible assets	15	1,390,781
Investments	16	381,082

		6,617,931
Current assets		
Debtors	17	21,664,543
Cash at bank and in hand		12,813,347

		34,477,890
Creditors: amounts falling due within one year	18	36,754,778

Net current liabilities		2,276,888

Total assets less current liabilities		4,341,043
Provisions	19	497,878

Net assets		3,843,165

Capital and reserves		
Called up share capital	25	307
Other reserves, including the fair value reserve	26	472,071
Profit and loss account	26	3,341,629

Equity attributable to the owners of the parent company		3,814,007
Non-controlling interests		29,158

		3,843,165

These financial statements were approved by the board of directors and authorised for issue on 15 July 2021, and are signed on behalf of the board by:

A Cooper

Director

Company registration number: 12106454

Oxford Economics Group Limited

Company Statement of Financial Position

31 July 2020

	Note	31 Jul 20
		£
Fixed assets		
Investments	16	267
Current assets		
Cash at bank and in hand		40

Net current assets		40

Total assets less current liabilities		307

Capital and reserves		
Called up share capital	25	307

Shareholders funds		307

The profit for the financial period of the parent company was £Nil.

These financial statements were approved by the board of directors and authorised for issue on 15 July 2021 , and are signed on behalf of the board by:

A Cooper

Director

Company registration number: 12106454

Oxford Economics Group Limited

Consolidated Statement of Changes in Equity

Period from 16 July 2019 to 31 July 2020

	Called up share capital £	Other reserves, including the fair value reserve £	Profit and loss account £	Equity attributable to the owners of the parent company £	Non-controlling interests £	Total £
At 16 July 2019	–	–	–	–	–	–
Loss for the period			(281,723)	(281,723)	1,617,136	1,335,413
Other comprehensive income for the period:						
Foreign currency retranslation	–	(149,196)	–	(149,196)	–	(149,196)
On group reorganisation	–	621,267	3,623,352	4,244,619	40,331	4,284,950
Total comprehensive income for the period	–	472,071	3,341,629	3,813,700	1,657,467	5,471,167
Issue of shares	307	–	–	307	–	307
Dividends paid and payable					(1,628,309)	(1,628,309)
Total investments by and distributions to owners	307	–	–	307	(1,628,309)	(1,628,002)
At 31 July 2020	307	472,071	3,341,629	3,814,007	29,158	3,843,165

Oxford Economics Group Limited

Company Statement of Changes in Equity

Period from 16 July 2019 to 31 July 2020

Oxford Economics Group Limited

Company Statement of Changes in Equity

Period from 16 July 2019 to 31 July 2020

	Called up share capital	Profit and loss account	Total
	£	£	£
Profit for the period		—	—
Issue of shares	307	—	307
	---	---	---
Total investments by and distributions to owners	307	—	307
	---	---	---
At 31 July 2020	307	—	307
	---	---	---

Oxford Economics Group Limited

Consolidated Statement of Cash Flows

Period from 16 July 2019 to 31 July 2020

	31 Jul 20
	£
Cash flows from operating activities	
Profit for the financial period	1,335,413
<i>Adjustments for:</i>	
Depreciation of tangible assets	395,548
Amortisation of intangible assets	1,837,783
Government grant income	(198,953)
Income from other fixed asset investments	(225)
Other interest receivable and similar income	(55,882)
Interest payable and similar expenses	210,683
Loss on disposal of tangible assets	264
Tax on profit	(88,146)
<i>Changes in:</i>	
Trade and other debtors	(2,933,311)
Trade and other creditors	6,674,555
Provisions and employee benefits	29,581
Other operating cash flow changes	(149,195)

Cash generated from operations	7,058,115
Interest paid	(210,683)
Interest received	55,882
Tax received	83,819

Net cash from/(used in) operating activities	6,987,133

Cash flows from investing activities	
Purchase of tangible assets	(282,283)
Proceeds from sale of tangible assets	7,414
Purchase of intangible assets	(1,708,500)
Purchases of other investments	(381,082)
Dividends received	225
Other investing cash flow adjustment	8,554,261

Net cash from investing activities	6,190,035

Cash flows from financing activities	
Proceeds from issue of ordinary shares	307
Proceeds from borrowings	1,139,314
Government grant income	198,953
Dividends paid	(1,628,309)
Net inflow / (outflow) or loans from directors	(74,086)

Net cash used in financing activities	(363,821)

Oxford Economics Group Limited

Consolidated Statement of Cash Flows *(continued)*

Period from 16 July 2019 to 31 July 2020

	31 Jul 20
	£
	Note
Net increase in cash and cash equivalents	12,813,347
Cash and cash equivalents at beginning of period	—

Cash and cash equivalents at end of period	12,813,347

Oxford Economics Group Limited

Notes to the Financial Statements

Period from 16 July 2019 to 31 July 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Abbey House, 121 St Aldates, Oxford, OX1 1HB.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity.

(b) Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

(c) Consolidation

The financial statements consolidate the financial statements of Oxford Economics Group Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the period are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

(d) Non-controlling interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

(e) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows: Goodwill and intangible assets Goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position and amortised on a straight line basis over its useful life. The company establishes an estimate of the useful life of goodwill and intangible assets arising on business combinations. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years. Plant and equipment The company's accounting policy for tangible fixed assets is set out below. Estimate useful lives of plant and equipment are based on management's judgements and historical experience with similar assets. Operating lease commitments The company as a lessee has entered into commercial property leases. the classification of such leases as operating or finance leases required the company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquired the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

(f) Long term contracts

Profit on long term contracts is taken as the work is carried out, if the final outcome can be assessed with reasonable certainty. The profit included is calculated to reflect the proportion of the work carried out at the year end by recording turnover and related costs as contract activity progress. Turnover is calculated as that proportion of total contract value which costs incurred to date represent compared to total expected costs for that contract. Full provision is made for losses on all contracts in the year in which they are first foreseen.

(g) Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax. The majority of clients pay for the company's services in advance on the basis of periodic subscriptions. An adjustments is made at the year end to reduce sales by the amount of any subscriptions which are received before the year end but which relate to periods after the year end. The amount of subscriptions in advance is shown in trade creditors. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

(h) Subscriptions in advance

The majority of clients pay for the company's services in advance on the basis of periodic subscriptions.

An adjustment is made at the year end to reduce sales by the amount of any subscriptions which are received before the year end but which relate to periods after the year end. The amount of subscriptions in advance is shown in trade creditors.

(i) Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

(j) Foreign currencies

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

(k) Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to the expense over the lease term, on a straight-line basis.

(l) Goodwill

Goodwill is initially recorded at cost.

(m) Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

(n) Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10% and 5% straight line
Development costs	-	25% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

(o) Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

(p) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property improvements	-	over the remaining length of the lease
Fixtures and fittings	-	5 years straight line
Motor vehicles	-	5 years straight line
Computer and office equipment	-	3, 8 or 10 years straight line

(q) Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Subsequently they are measured at fair value through profit or loss except for those equity instruments that are not publicly traded and whose fair value cannot be otherwise be measured reliably which are recognised at cost less any accumulated impairment losses.

(r) Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

(s) Development costs

Certain costs incurred in connection with the development of software to be used internally or for providing services to customers are capitalised once a project has progressed beyond a conceptual, preliminary stage to that of application development. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognisable as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use
- management intends to complete the software product and use or sell it
- there is an ability to use or sell the product
- it can be demonstrated how the software product will generate probable future economics benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available, and
- the expenditure attributable to the software product during its development can be reliably measured

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

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

(t) Government grants

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

(u) Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

(v) Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

(w) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	Period from 16 Jul 19 to 31 Jul 20 £
Rendering of services	64,524,813 -----

The turnover is attributable to the one principal activity of the group. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	Period from 16 Jul 19 to 31 Jul 20 £
United Kingdom	12,270,530
Overseas	52,254,283 -----
	64,524,813 -----

5. Other operating income

	Period from 16 Jul 19 to 31 Jul 20 £
Government grant income	198,953
Other operating income	10,581 -----
	209,534 -----

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	Period from 16 Jul 19 to 31 Jul 20 £
Amortisation of intangible assets	1,837,783
Depreciation of tangible assets	395,548
Reversal of impairment of tangible assets recognised in:	
Administrative expenses	(39,990)
Loss on disposal of tangible assets	264
Impairment of trade debtors	180,218
Foreign exchange differences	705,449 -----

7. Auditor's remuneration

	Period from 16 Jul 19 to 31 Jul 20 £
Fees payable for the audit of the financial statements	60,000 -----
Fees payable to the company's auditor and its associates for other services:	
Other non-audit services	223,211 -----

8. Staff costs

The average number of persons employed by the group during the period, including the directors, amounted to:

	31 Jul 20
	No.
Administrative staff	8
Management staff	5
Number of economists	132
Number of other technical staff	27
Number of sales staff	23
Number of overseas staff	71

	266

The aggregate payroll costs incurred during the period, relating to the above, were:

	Period from
	16 Jul 19 to
	31 Jul 20
	£
Wages and salaries	35,583,996
Social security costs	1,907,244
Other pension costs	1,399,806

	38,891,046

9. Directors' remuneration

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

	Period from
	16 Jul 19 to
	31 Jul 20
	£
Remuneration	3,400,770
Company contributions to defined contribution pension plans	312

	3,401,082

The number of directors who accrued benefits under company pension plans was as follows:

	31 Jul 20
	No.
Defined contribution plans	2

Remuneration of the highest paid director in respect of qualifying services:

	Period from
	16 Jul 19 to
	31 Jul 20
	£
Aggregate remuneration	2,646,626

10. Income from other fixed asset investments

	Period from
	16 Jul 19 to
	31 Jul 20
	£
Income from other fixed asset investments	225

11. Other interest receivable and similar income

	Period from 16 Jul 19 to 31 Jul 20 £
Interest on cash and cash equivalents	55,882

12. Interest payable and similar expenses

	Period from 16 Jul 19 to 31 Jul 20 £
Interest on banks loans and overdrafts	210,605
Other interest payable and similar charges	78

	210,683

13. Tax on profit

Major components of tax income

	Period from 16 Jul 19 to 31 Jul 20 £
Current tax:	
Adjustments in respect of prior periods	(187,814)
Foreign current tax income	99,668

Total current tax	(88,146)

Tax on profit	(88,146)

Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 19 %.

	Period from 16 Jul 19 to 31 Jul 20 £
Profit on ordinary activities before taxation	1,247,267

Profit on ordinary activities by rate of tax	97,209
Adjustment to tax charge in respect of prior periods	(187,814)
Effect of expenses not deductible for tax purposes	28,117
Effect of capital allowances and depreciation	261,891
Unused tax losses	190,518
Revenue expenditure capitalised	(324,615)
Overseas tax payable	99,578
Difference in tax rate of overseas subsidiaries	(253,030)

Tax on profit	(88,146)

14. Intangible assets

Group	Goodwill £	Development costs £	Total £
Cost			
At 16 July 2019	2,309,027	8,536,554	10,845,581
Additions	–	1,708,500	1,708,500
Acquisitions through business combinations	449,017	–	449,017
At 31 July 2020	2,758,044	10,245,054	13,003,098
Amortisation			
At 16 July 2019	765,605	5,553,642	6,319,247
Charge for the period	259,810	1,577,973	1,837,783
At 31 July 2020	1,025,415	7,131,615	8,157,030
Carrying amount			
At 31 July 2020	1,732,629	3,113,439	4,846,068

The company has no intangible assets.

15. Tangible assets

Group	Freehold	Long leasehold	Plant and	Fixtures, fittings	Motor vehicles	Total
	property	property				
	£	£	£	£	£	£
Cost						
At 16 Jul 2019	15,044	424,346	28,486	1,829,702	7,454	2,305,032
Additions	–	–	66,592	215,691	–	282,283
Disposals	(7,093)	(17,000)	–	–	–	(24,093)
Acquisitions through business combinations	–	–	131,485	–	–	131,485
At 31 Jul 2020	7,951	407,346	226,563	2,045,393	7,454	2,694,707
Depreciation						
At 16 Jul 2019	–	171,177	1,187	748,662	3,767	924,793
Charge for the period	–	49,732	72,592	271,928	1,296	395,548
Disposals	–	(16,415)	–	–	–	(16,415)
At 31 Jul 2020	–	204,494	73,779	1,020,590	5,063	1,303,926
Carrying amount						
At 31 Jul 2020	7,951	202,852	152,784	1,024,803	2,391	1,390,781

The company has no tangible assets.

16. Investments Group	Other investments other than loans	£
Cost		
At 16 July 2019		–
Other movements		381,082

At 31 July 2020		381,082

Impairment		
At 16 July 2019 and 31 July 2020		–

Carrying amount		
At 31 July 2020	381,082	-----

Company	Shares in group undertakings	£
Cost		
At 16 July 2019		–
Additions		267

At 31 July 2020		267

Impairment		
At 16 July 2019 and 31 July 2020		–

Carrying amount		
At 31 July 2020	267	----

Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary undertakings		
Oxford Economics USA Inc.	Ordinary	100
Oxford Economics Mexico & Latin America S.A.P.	Ordinary	100
Stone & McCarthy Research Associates	Ordinary	100
Tourism Economics LLC	Ordinary	66.7
Oxford Economics Canada	Ordinary	100
Oxford Economics Limited	Ordinary	100
Oxford Economics Australia Pty Limited	Ordinary	100
BIS Oxford Economics Pty Limited	Ordinary	75.5
Oxford Economics GmbH	Ordinary	100
NKC African Economics	Ordinary	51
Oxford Economics Asia Pacific & Middle East Pvt	Ordinary	100
Oxford Economics France	Ordinary	100
Oxford Economics Hong Kong	Ordinary	100
Oxford Economics Japan KK	Ordinary	100
Oxford Economics SRL	Ordinary	100
Oxford Economics Forecasting Limited	Ordinary	100
Regional Forecasts Limited	Ordinary	100
Oxford Economics Ireland Limited	Ordinary	100

17. Debtors

	Group	Company
	31 Jul 20	31 Jul 20
	£	£
Trade debtors	11,943,172	–
Deferred tax asset	245,644	–
Prepayments and accrued income	2,435,726	–
Corporation tax repayable	92,105	–
Other debtors	6,947,896	–
	-----	-----
	21,664,543	–
	-----	-----

18. Creditors: amounts falling due within one year

	Group	Company
	31 Jul 20	31 Jul 20
	£	£
Bank loans and overdrafts	1,139,314	–
Trade creditors	4,188,899	–
Social security and other taxes	2,400,942	–
Directors loan accounts	(19,057)	–
Other creditors	29,044,680	–
	-----	-----
	36,754,778	–
	-----	-----

19. Provisions

Group	User defined
	class 1
	£
At 16 July 2019	–
Charge against provision	29,581
Other movements 1	468,297

At 31 July 2020	497,878

The company does not have any provisions.

20. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group	Company
	31 Jul 20	31 Jul 20
	£	£
Included in debtors (note 17)	245,644	–
	-----	-----

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group	Company
	31 Jul 20	31 Jul 20
	£	£
Unused tax losses	(245,644)	–
	-----	-----

21. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 1,399,494 .

22. Share-based payments

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

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

The options are settled in equity once exercised.

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

Details of the number and weighted average exercise prices (WAEP) of share options during the year are as follows:

	2020 No.	2020 WAEP £
Granted during the year	130	306
Exercised during the year	(50)	(1)

Outstanding at 31 July 2020	80	

23. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	Group 31 Jul 20 £	Company 31 Jul 20 £
Recognised in other operating income:		
Government grants recognised directly in income	198,953	—
	-----	---

24. Financial instruments

The carrying amount for each category of financial instrument is as follows:

Financial assets that are debt instruments measured at amortised cost

	Group 31 Jul 20 £
Financial assets that are debt instruments measured at amortised cost	31,704,415

Financial liabilities measured at amortised cost

	Group 31 Jul 20 £
Financial liabilities measured at amortised cost	33,718,668

**25. Called up share capital
Issued, called up and fully paid**

	31 Jul 20	
	No.	£
Ordinary 'A' shares of £ 0.0001 each	2,666,402	267
Ordinary 'D' shares of £ 1 each	40	40
	-----	----
	2,666,442	307
	-----	----

26. Reserves

Profit and loss account This reserve records retained earnings and accumulated losses. Other reserves These reserves records translation differences as a result of translating the financial statements into the presentational currency using the exchange rate at the balance sheet date which differs from the rate in effect at the last measurement date, other legal reserves that are required by some of the overseas subsidiaries and a merger reserve created following a group reorganisation on 16 July 2019.

27. Analysis of changes in net debt

	At 16 Jul 2019	Cash flows	At 31 Jul 2020
	£	£	£
Cash at bank and in hand	–	12,813,347	12,813,347
Debt due within one year	–	(1,139,314)	(1,139,314)
	----	-----	-----
	–	11,674,033	11,674,033
	----	-----	-----

28. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group	Company
	31 Jul 20	31 Jul 20
	£	£
Not later than 1 year	341,929	–
Later than 1 year and not later than 5 years	1,331,536	–
	-----	----
	1,673,465	–
	-----	----

Oxford Economics Group Limited

Notes to the Financial Statements *(continued)*

Period from 16 July 2019 to 31 July 2020

29. Related party transactions

Group

The group has taken advantage of the exemptions provided in FRS 102 from reporting transactions between wholly owned members of the group. During the period the group has made available loans to and received loans from entities controlled by key management personnel. At the balance sheet date £ 7,657,485 was due to the group and £ 4,251,743 was due by the group. Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £ 3,759,032.

Company

The company has taken advantage of the exemptions provided in FRS 102 from reporting transactions between wholly owned members of the group.

30. Controlling party

The ultimate controlling party of the company is Mr J Walker by virtue of a controlling interest in the issued share capital.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.