

**Longitude Research Limited**

Registered Number:

07514721

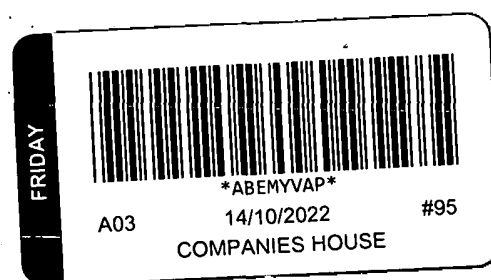
Annual Report and Financial Statements

For the Year Ended:

31 December 2021

Registered address:

Bracken House, 1 Friday Street, London EC4M 9BT



## **Longitude Research Limited**

### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements of Longitude Research Limited (the "Company") for the year ended 31 December 2021.

The Company has taken exemption from preparing a Strategic Report in accordance with s414B of the Companies Act 2006 relating to small companies.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

#### **Principal activities**

The principal activity of the Company is the development and production of research and branded content for distribution across a range of channels, including social media, digital and events platforms. The directors do not anticipate any significant change in the Company's activities in the foreseeable future.

#### **Going concern**

As detailed below and within Note 1 to the accounts, the directors have made a thorough assessment of the Company's ability to continue operating as a going concern. During 2021 the Company recorded a profit, and at the balance sheet date was in a net assets position. Revenue grew by £3.0m (42%) as the business rebounded strongly from the impact of the COVID-19 pandemic that was witnessed in 2020. In addition, the business has been able to convert profits into substantial positive cash flows and now has £5.3m of cash available at the end of 2021, so it is well placed to deliver its deferred income balance of £2.2m. The forward looking forecasts prepared by management also indicate an expectation that the business will continue to grow and generate profits in the future. Management has a clear expectation that we will have adequate resources to meet our commitments as they fall due for a period of at least 12 months from the date of approval of the financial statements. In addition, a letter of support has been received from a parent company which commits to support the Company for at least one year beyond the date these financial statements are signed. As such, we continue to adopt the going concern basis of preparation.

#### **Directors**

The directors who held office during the year and up to the date of signing the financial statements are given below:

R P Mitchell  
G Lofthouse  
J Watson  
A Mackay  
J Slade  
S Martin

#### **Directors' insurance**

During the year ended 31 December 2021, the Company maintained insurance covering the directors of the Company against liabilities arising in relation to the Company in accordance with Section 233 of the Companies Act 2006.

#### **Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the 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 applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

## **Longitude Research Limited**

### **DIRECTORS' REPORT (continued)**

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**

Deloitte LLP, having indicated its willingness to continue in office, will be deemed to be reappointed as auditor under section 487(2) of the Companies Act 2006.

#### **Disclosure of information to auditor**

In the case of each of the persons who are directors at the time when the report is approved, the following applies:

- so far as the directors are 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 him/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.

Approved and authorised for issue by the board.

DocuSigned by:

*Alison Fortescue*

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AM Fortescue

Company Secretary

11 October 2022

Company registered number:

07514721

**Longitude Research Limited**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONGITUDE RESEARCH LIMITED**

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of Longitude Research 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 statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 2 to 18.

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

**Basis for opinion**

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

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Longitude Research Limited**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONGITUDE RESEARCH LIMITED (continued)**

#### **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](http://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 and internal audit 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 2006 and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations, pensions and IT 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 revenue from the development and production of branded content in relation to cut-off assertion and the procedures performed included tracing a sample of journals posted pre and post year end to supporting evidence and performing analytical procedures using third party data.

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

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

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

**Longitude Research Limited**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONGITUDE RESEARCH LIMITED  
(continued)**

**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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our 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 Directors' Report.

**Matters on which we are required to report by exception**

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

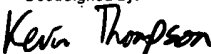
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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:

  
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Kevin Thompson (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP,  
Statutory Auditor  
London, United Kingdom  
Date: 11 October 2022

**Longitude Research Limited****STATEMENT OF COMPREHENSIVE INCOME****For the year ended:****31 December 2021**

		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
Continuing operations			
Revenue	2	10,064	7,068
Cost of sales		(1,977)	(1,522)
<b>Gross profit</b>		<b>8,087</b>	<b>5,546</b>
Administrative expenses		(6,253)	(5,327)
<b>Operating profit</b>	3	<b>1,834</b>	<b>219</b>
<b>Profit before interest and taxation</b>		<b>1,834</b>	<b>219</b>
Finance costs	6	(21)	—
<b>Profit before taxation</b>		<b>1,813</b>	<b>219</b>
Tax on profit	7	(317)	(8)
<b>Total comprehensive income for the year</b>		<b>1,496</b>	<b>211</b>

The notes on pages 9 to 28 form an integral part of these financial statements.

**Longitude Research Limited****BALANCE SHEET****As at:****31 December 2021**

	Note	2021 £'000	2020 £'000
<b>Non current assets</b>			
Intangible assets	8	5	12
Property, plant and equipment	9	25	13
Deferred tax asset	13	2	1
		<b>32</b>	<b>26</b>
<b>Current assets</b>			
Trade and other receivables	10	2,371	2,176
Cash at bank and in hand		5,347	2,089
		<b>7,718</b>	<b>4,265</b>
Trade and other payables: amounts falling due within one year	11	(5,504)	(3,716)
<b>Net current assets</b>		<b>2,214</b>	<b>549</b>
<b>Total assets less current liabilities</b>		<b>2,246</b>	<b>575</b>
Provisions for liabilities	12	(175)	—
<b>Net assets</b>		<b>2,071</b>	<b>575</b>
<b>Capital and reserves</b>			
Called up share capital	14	—	—
Share premium account		113	113
Profit and loss account		1,958	462
<b>Total shareholders' funds</b>		<b>2,071</b>	<b>575</b>

The notes on pages 9 to 28 form an integral part of these financial statements.

The financial statements on pages 6 to 28 were approved by the board of directors and authorised for issue on 11 October 2022. They were signed on its behalf by:

DocuSigned by:

*Rob Mitchell*

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R Mitchell  
Director

Company registered number:  
07514721



**Longitude Research Limited****STATEMENT OF CHANGES IN EQUITY****For the year ended:****31 December 2021**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total shareholders' funds</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 January 2020	—	113	251	364
Profit for the financial year	—	—	211	211
Profit for the year and total comprehensive income for the year	—	—	211	211
<b>At 31 December 2020</b>	<b>—</b>	<b>113</b>	<b>462</b>	<b>575</b>
Profit for the year and total comprehensive income for the year	—	—	1,496	1,496
<b>At 31 December 2021</b>	<b>—</b>	<b>113</b>	<b>1,958</b>	<b>2,071</b>

See note 14 for a breakdown of called up share capital.

The notes on pages 9 to 28 form an integral part of these financial statements.

## **Longitude Research Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended:  
31 December 2021**

#### **1 Accounting policies**

The principal accounting policies are set out below. These policies have been consistently applied to all the years presented.

##### **Basis of preparation**

Longitude Research Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006. The address of its registered office is Bracken House, 1 Friday Street, London, United Kingdom EC4M 9BT.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the Company has adopted FRS 101 (Financial Reporting Standard 101 Reduced Disclosure Framework) as issued by the Financial Reporting Council.

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There were no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements requiring disclosure.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, 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 and related party transactions.

No other updates or amendments to accounting standards effective this year have had a material impact on these financial statements.

##### **Consolidation**

As at the balance sheet date, the Company is a 51% owned subsidiary of Nikkei Inc. and is included in the consolidated financial statements of Nikkei Inc. which are publicly available (note 18).

##### **Going concern**

As detailed below and within Note 1 to the accounts, the directors have made a thorough assessment of the Company's ability to continue operating as a going concern. During 2021 the Company recorded a profit, and at the balance sheet date was in a net assets position. Revenue grew by £3.0m (42%) as the business rebounded strongly from the impact of the COVID-19 pandemic that was witnessed in 2020. In addition, the business has been able to convert profits into substantial positive cash flows and now has £5.3m of cash available at the end of 2021, so it is well placed to deliver its deferred income balance of £2.2m. The forward looking forecasts prepared by management also indicate an expectation that the business will continue to grow and generate profits in the future. Management has a clear expectation that we will have adequate resources to meet our commitments as they fall due for a period of at least 12 months from the date of approval of the financial statements. In addition, a letter of support has been received from a parent company which commits to support the Company for at least one year beyond the date these financial statements are signed. As such, we continue to adopt the going concern basis of preparation.

##### **Foreign currency translation**

The financial statements are presented in pound sterling (£) which is also the Company's functional currency.

Transactions in currencies other than the functional currency are recorded using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction and are not re-translated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

## **Longitude Research Limited**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the year ended:  
31 December 2021**

#### **1 Accounting policies (continued)**

##### **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### **Current and deferred tax**

Current tax is recognised on the amounts expected to be paid or recovered under the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided on temporary differences arising between the tax bases of tax assets and liabilities and their carrying amounts. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

##### **Intangible assets**

###### **Software**

Expenditure on software is capitalised when the Company is able to demonstrate all of the following: the technical feasibility of the resulting asset; the ability and intention to complete the development and use or sell it; how the asset will generate probable future economic benefits; and the ability to measure reliably the expenditure attributable to the asset during its development. Development costs which do not meet these criteria are recognised in the statement of comprehensive income as incurred and are not subsequently capitalised. Amortisation is provided at rates calculated to write off the cost of each asset on a straight line basis over its estimated useful life (3 - 5 years). The company also reviews for indicators of impairment on an annual basis.

##### **Property, plant & equipment**

Tangible fixed assets are stated at historical cost less depreciation and impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use. Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives as follows:

Computer Equipment 3 - 5 years;  
Fixtures and fittings 3 - 10 years.

##### **Impairment of tangible assets**

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 any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

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

**Longitude Research Limited**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the year ended:**

**31 December 2021**

**1 Accounting policies (continued)**

**Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provisions for bad and doubtful debts and anticipated future sales returns. In line with IFRS 9, provisions for bad and doubtful debts are based on the expected credit loss model. The 'simplified approach' is used with the expected loss allowance measured at an amount equal to the lifetime expected credit losses. The adoption of IFRS 9 did not result in a change to the measurement of provisions for bad and doubtful debts.

**Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held on call with banks and other short-term investments with maturities of three months or less. Overdrafts are included in borrowings in current liabilities in the balance sheet.

**Trade and other payables**

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost.

**Provisions**

Provisions are recognised if the Company has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligation and that the amount can be reliably estimated. Provisions are discounted to present value where the effect is material.

**Financial instruments**

**(a) Loans and receivables**

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met (and are not designated as FVTPL):

- The asset is held within a business model whose objective is to collect the contractual cash flows, and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest.

Subsequent to initial recognition these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other (expenses)/income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss under 'net impairment losses on financial and contract assets'.

**(b) Other financial liabilities**

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

**Pensions**

The Company pays contributions to a privately administered defined contribution pension plan on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. Unpaid contributions are recognised as a liability.

**Critical accounting judgements and key sources of estimation uncertainty**

In preparing the financial statements the directors do not consider that any matters requiring critical accounting judgements were made, or that matters involving significant uncertainty exist.

**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****2 Revenue**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Continuing operations		
Provision of services	<b>10,064</b>	<b>7,068</b>
<b>Total revenue</b>	<b>10,064</b>	<b>7,068</b>

Revenue by geographical market as follows:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
United Kingdom	<b>3,824</b>	<b>3,181</b>
Rest of Europe	<b>2,214</b>	<b>1,555</b>
North America	<b>3,522</b>	<b>1,908</b>
Asia and Middle East	<b>504</b>	<b>424</b>
<b>Total revenue</b>	<b>10,064</b>	<b>7,068</b>

The Company's activities consist of one class of business, namely the development and production of research and branded content.

**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****3 Operating profit**

Operating profit is stated after charging/(crediting):

	<b>Note</b>	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Staff costs	4	4,862	3,934
Depreciation of property, plant and equipment			
- owned	9	8	13
Amortisation of intangible assets included in operating expenses:			
- internally generated	8	7	8
Audit fees payable to the Company's auditor		18	12
Net foreign exchange (gains)/losses		(7)	301

No fees were paid to the Company's auditor, Deloitte LLP, and its associates for services other than the statutory audit of the Company (2020: nil).

**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****4 Staff costs**

	2021	2020
	£'000	£'000
<b>Staff costs</b>		
Wages and salaries	4,301	3,445
Social security costs	440	358
Other pension costs	121	131
	<b>4,862</b>	<b>3,934</b>

	2021	2020
<b>Average monthly number of persons employed by the Company during the year</b>	<b>Number</b>	<b>Number</b>
Production	27	21
Selling and distribution	12	14
Administration	7	8
	<b>46</b>	<b>43</b>

**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****5 Directors' remuneration**

	<b>2021</b>	<b>2020</b>
<b>Staff costs</b>	<b>£'000</b>	<b>£'000</b>
Aggregate emoluments	<b>508</b>	453
Company contributions to defined contribution pension schemes	<b>25</b>	29
	<b>533</b>	482

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
	<b>Directors</b>	<b>Directors</b>
Directors accruing benefits under defined contribution schemes	<b>3</b>	2

	<b>2021</b>	<b>2020</b>
<b>Highest paid director</b>	<b>£'000</b>	<b>£'000</b>
Aggregate emoluments	<b>172</b>	151
Defined contribution pension scheme - company contributions during the year	<b>8</b>	11
	<b>179</b>	162

The costs of three directors were paid by the Company as their services relate to the Company for the year ended 31 December 2021. The other directors are contracted to and paid by fellow group undertakings, which make no recharge to the Company.



**Longitude Research Limited**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended:**  
**31 December 2021**

**6 Finance costs**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Finance costs</b>		
Other interest	<b>21</b>	—
<b>Interest payable and similar charges</b>	<b>21</b>	—

**Longitude Research Limited**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the year ended:**

**31 December 2021**

**7 Tax on profit**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Current tax</b>		
UK corporation tax on profit for the financial year	<b>354</b>	<b>19</b>
Adjustments in respect of prior years	<b>(43)</b>	<b>(12)</b>
Foreign tax	<b>(5)</b>	<b>2</b>
<b>Total current tax</b>	<b>306</b>	<b>9</b>
<b>Foreign tax</b>		
Current tax on income for the period	<b>5</b>	<b>—</b>
Adjustments in respect of prior periods	<b>7</b>	<b>—</b>
<b>Total foreign tax</b>	<b>12</b>	<b>—</b>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	<b>(2)</b>	<b>(1)</b>
Adjustments in respect of prior periods	<b>1</b>	<b>—</b>
<b>Total deferred tax</b>	<b>(1)</b>	<b>(1)</b>
<b>Total tax charge for the year</b>	<b>317</b>	<b>8</b>
<b>UK standard effective rate of corporation tax (%)</b>	<b>19.00</b>	<b>19.00</b>

The charge for the year can be reconciled to the profit in the statement of comprehensive income as follows:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Profit before taxation</b>	<b>1,813</b>	<b>219</b>
Tax at standard UK corporation tax rate of 19.00% (2020: 19.00%)	<b>344</b>	<b>42</b>
Effects of:		
Expenses not deductible for tax purposes	<b>8</b>	<b>10</b>
Tax exempt debt release	<b>—</b>	<b>(34)</b>
Adjustments in respect of prior periods	<b>(35)</b>	<b>(10)</b>
<b>Total tax charge for the year</b>	<b>317</b>	<b>8</b>

The Company's profit for the year has been taxed at a statutory rate of 19.00% for the calendar year (2020: 19.00%). It was announced in the 2021 Budget that the corporation tax rate will increase to 25% from 1 April 2023. This change received Royal Assent on 10 June 2021.

**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****8 Intangible fixed assets**

	<b>Software</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>		
At 1 January 2021	21	21
Additions	—	—
<b>At 31 December 2021</b>	<b>21</b>	<b>21</b>
<b>Accumulated amortisation and impairment</b>		
At 1 January 2021	9	9
Charge for the year	7	7
<b>At 31 December 2021</b>	<b>16</b>	<b>16</b>
<b>Net book value</b>		
At 31 December 2020	12	12
<b>At 31 December 2021</b>	<b>5</b>	<b>5</b>

## Longitude Research Limited

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended:

31 December 2021

## 9 Property, plant and equipment

	Construction in progress	Fixtures and fittings	Computer equipment	Total
	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 January 2021	4	20	94	118
Additions	—	—	19	19
Disposals	—	—	(1)	(1)
Transfers	(4)	—	4	—
<b>At 31 December 2021</b>	<b>—</b>	<b>20</b>	<b>116</b>	<b>136</b>
<b>Accumulated depreciation</b>				
At 1 January 2021	—	17	88	105
Charge for the year	—	1	7	8
Disposals	—	—	(1)	(1)
<b>At 31 December 2021</b>	<b>—</b>	<b>18</b>	<b>94</b>	<b>112</b>
<b>Net book value</b>				
At 31 December 2020	4	3	6	13
<b>At 31 December 2021</b>	<b>—</b>	<b>2</b>	<b>23</b>	<b>25</b>

**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****10 Trade and other receivables**

	<b>2021</b>	<b>2020</b>
<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year</b>		
Trade receivables	<b>1,425</b>	<b>1,340</b>
Amounts owed by group undertakings:		
— fellow group entities	<b>—</b>	<b>193</b>
Corporation tax	<b>210</b>	<b>92</b>
Other receivables	<b>18</b>	<b>9</b>
Prepayments	<b>179</b>	<b>—</b>
Accrued income	<b>539</b>	<b>384</b>
<b>Total</b>	<b>2,371</b>	<b>2,176</b>

**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****11 Trade and other payables**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year</b>		
Trade payables	71	54
Amounts owed to group undertakings:		
- fellow group entities	601	655
Corporation tax	6	—
Other taxation and social security	1,729	598
Other payables	55	32
Accruals	884	604
Deferred Income	2,158	1,773
<b>Total</b>	<b>5,504</b>	<b>3,716</b>
<b>Amounts falling due after more than one year</b>		
Provision for liabilities	175	—
<b>Total trade and other payables</b>	<b>5,679</b>	<b>3,716</b>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

The following table shows how much revenue recognised in the current period relates to carried forward deferred income:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Revenue recognised in the year that was included in the deferred income balance at the beginning of the period	1,735	1,201

**Longitude Research Limited**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended:**  
**31 December 2021**

**12 Provisions**

	<b>Other Provisions</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
At 1 January 2021	—	—
Amounts charged to the profit and loss account	<b>175</b>	<b>175</b>
<b>At 31 December 2021</b>	<b>175</b>	<b>175</b>

The US sales tax provision reflects estimated US sales tax liabilities that have arisen following the Wayfair ruling which results in sales taxes being levied on digital services.

**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****13 Deferred taxation**

	<b>Deferred tax</b>	<b>Total</b>
<b>Asset</b>	<b>£'000</b>	<b>£'000</b>
At 1 January 2021	1	1
Credited to profit and loss	1	1
<b>At 31 December 2021</b>	<b>2</b>	<b>2</b>

	<b>2021</b>	<b>2020</b>
<b>Analysis of deferred tax balances</b>	<b>£'000</b>	<b>£'000</b>
Non-Current	2	1
<b>Total deferred tax asset</b>	<b>2</b>	<b>1</b>



**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****14 Called up share capital**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Total authorised share capital</b>	<b>222</b>	<b>222</b>

	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
<b>Ordinary A shares at £0.10 each</b>				
Allotted, called up and fully paid	<b>1,135</b>	1,135	<b>114</b>	114
<b>Ordinary B shares at £0.10 each</b>				
Allotted, called up and fully paid	<b>1,090</b>	1,090	<b>109</b>	109

On 31 January 2022, Financial Times Group Limited acquired the remaining 49% of the issued share capital of the Company from the three original shareholders. As a result, the Company became a wholly owned subsidiary of Financial Times Group Limited.

On the same date the A Ordinary Shares of £0.10 each and the B Ordinary Shares of £0.10 each in the capital of the Company, were re-designated into Ordinary Shares of £0.10 each.

**Longitude Research Limited**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the year ended:**

**31 December 2021**

**15 Retirement benefit schemes**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £121,091 (period ended 31 December 2020: £131,066). Contributions totalling £34,468 were payable to the fund at the balance sheet date (period ended 31 December 2020: £17,037).

**Longitude Research Limited**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the year ended:**

**31 December 2021**

**16 Post balance sheet events**

On 23rd September 2022 the Chancellor of the Exchequer announced that the corporation tax will remain at 19% from 1 April 2023, reversing a previously enacted measure to increase the rate to 25%. This reversal in the tax rate from 1st April 2023 has not been enacted or substantively enacted and accordingly has no impact on the tax balance at 31st December 2021.

On 31 January 2022, Financial Times Group Limited acquired the remaining 49% of the issued share capital of the Company from the three original shareholders. As a result, the Company became a wholly owned subsidiary of Financial Times Group Limited.

As at the date of the approval of these financial statements, the consideration has not been finalised.

**Longitude Research Limited****NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended:****31 December 2021****17 Related party transactions**

During the year, Longitude Research Limited entered into the following trading transactions with related parties:

	<b>Sale of goods</b>		<b>Purchase of services</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
The Financial Times Limited	<b>208</b>	496	<b>(351)</b>	(522)

The following amounts were outstanding at the balance sheet date:

	<b>Amounts owed by related parties</b>		<b>Amounts owed to related parties</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
The Financial Times Limited	—	—	<b>(519)</b>	(598)
Longitude US Inc.	—	143	<b>(65)</b>	—
Alpha Grid Media Limited	—	—	<b>(17)</b>	(18)
FT Publications Inc.	—	10	—	—
	—	153	<b>(601)</b>	(616)

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

**Longitude Research Limited**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the year ended:  
31 December 2021**

**18 Ultimate parent undertaking**

As at the balance sheet date, the immediate parent undertaking was Financial Times Group Limited who owns 51% of the issued share capital. The remaining 49% is held by Robert Mitchell (18.88%), James Watson (18.88%) and Gareth Lofthouse (11.24%), all of whom are directors. As described in Note 16, on 31 January 2022 Financial Times Group Limited acquired the remaining 49% of the issued share capital.

The ultimate parent undertaking and controlling party is Nikkei Inc., which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Nikkei Inc. is incorporated in Japan and copies of Nikkei Inc.'s consolidated financial statements can be obtained from its registered office at Nikkei Inc., 1-3-7 Otemachi, Chiyoda-ku, Tokyo 100-8066, Japan.