

AC Nielsen Holdings UK Limited

**Annual report and financial statements
for the year ended 31 December 2021**

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AC Nielsen Holdings UK Limited

Company information

Directors	I C Palmqvist P Pathak R White B Morrison L A Traynor
Company secretary	Cosec Services Limited
Registered number	03863855
Registered office	Nielsen House John Smith Drive Oxford Oxfordshire OX4 2WB
Independent auditor	Ernst & Young LLP R+ Building 2 Blagrove St Reading RG1 1YE

AC Nielsen Holdings UK Limited

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AC Nielsen Holdings UK Limited

Strategic report for the year ended 31 December 2021

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

Business review

The principal activity of the company is the investment in other UK registered companies.

The company has reported an operating loss of £19,893 (2020: operating loss £7,976).

The loss for the financial year, after taxation, amounted to £22,286 (2020: profit £5,043,257). The movement in the profit from the prior year relates to £5,059,628 gain on investment transfer to AC Nielsen Company Limited in 2020.

Future developments

The company is well placed to meet the current and anticipated demands in the established and emerging markets. Future growth and profitability are expected through maintaining strong market position, reputation, driving innovation in the sector through further improvements to the market leading services and growth in emerging markets.

The company will continue to act as a Holding company.

Section 172 (1) Statement

The directors of the company have at all times throughout the year under review (and at all other relevant times) acted in a way that they considered, in good faith, to be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so had regard, amongst other matters, to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

The directors also took into account the views and interests of a wider set of stakeholders, including customers, employees, suppliers, shareholders and creditors. Considering this broad range of interests is an important part of the way the board makes decisions, although depending on the matter in question, the relevance of different stakeholder interests and other factors will inevitably vary and the board may have to make decisions based on competing priorities, which means in balancing those different perspectives it won't always be possible to deliver everyone's desired outcome.

On appointment to the Company's board, the directors are provided with a new director orientation program coordinated by the legal and the company secretary. This includes a briefing on the directors' statutory duties as well as meetings with key members of management and other opportunities to meet key stakeholders as described in more detail below.

AC Nielsen Holdings UK Limited

Strategic report (continued) for the year ended 31 December 2021

Section 172 (1) Statement (continued)

How does the board engage with stakeholders?

The Company's board will sometimes engage directly with certain stakeholders on certain issues, but the size and distribution of our stakeholders and of the Company's board means that stakeholder engagement often takes place at an operational level. The board considers and discusses information from across the organisation to help it understand the impact of the company's operations, and the interests and views of our key stakeholders. It also reviews strategy, financial and operational performance, as well as information covering areas such as key risks, and legal and regulatory compliance and reputational issues. This information is provided to the board through reports sent in advance of each board meeting, and through in-person presentations which seek to highlight any key stakeholder groups that are impacted by any particular actions. As a result of these activities, the board has an overview of engagement with stakeholders, and other relevant factors, which enables the directors to comply with their legal duty under section 172 of the Companies Act 2006.

What training has the board received on the importance of stakeholder considerations in its decision-making?

The relevance of stakeholder considerations in the context of its decision-making has been brought to the Company's board's attention by the chief legal officer and the corporate secretary. The Company's board recognises the need to review regularly the identity of our stakeholders as it makes decisions on behalf of the company.

The company has in place the following framework to ensure directors have regard to our key stakeholders and those other matters referenced in section 172(1) in their decision making:

Stakeholder group	How we engage	Why we engage	What matters to this Group?
Customers / Clients	<p>The group CEO engaged with our key customers and our board received updates on customer renewals, customer sentiment and feedback through regular updates and briefing materials from senior management.</p> <p>We engaged and participated with a number of clients and other thirdparty organisations through a variety of committees. These committees advised our relevant business units on industry issues and concerns, provided insight on technological advances and helped us improve the utility of our data as industry currency.</p>	<p>We provided customers with a comprehensive understanding of what they buy and how those choices intersect. We worked with customers to ensure they fully understand our commitment to legal and ethical business practices in advance of and during our relationship.</p>	<p>Product range, price and quality Convenience and accessibility Customer service Fair marketing Responsible use of personal data Environmental, Social and Governance ("ESG") Purchasing from a company that conducts business in a legal and ethical manner.</p>

AC Nielsen Holdings UK Limited

Strategic report (continued) for the year ended 31 December 2021

Section 172 (1) Statement (continued)

Stakeholder group	How we engage	Why we engage	What matters to this Group?
Employees	<p>It is the company's policy to maintain well-developed communications and consultation programs with all employees and employee representative bodies, including via email communication or regular updates of the company's employee website.</p> <p>The company also negotiated and consulted with recognised unions and works councils as appropriate.</p> <p>Various town hall meetings are available for our employees, including with our executive officers and other leadership.</p> <p>Our board invited our executives leaders of our businesses to board meetings to present the state of the business.</p> <p>Our integrity program encourages associates to speak up about any concerns of misconduct without fear of retaliation. Tools include a telephone, web helpline and email addresses.</p> <p>HR associates available to discuss issues and to provide training and development opportunities to our employees.</p>	<p>Our success and ability to grow is dependent, in part, on our ability to hire, retain and engage sufficient numbers of talented people, with the increasingly diverse skills needed to serve clients and expand our business, in many locations around the world.</p>	<p>Fair employment Fair pay and benefits Diversity and inclusion Training, development and career opportunities Health and safety Responsible use of personal data ESG.</p>

AC Nielsen Holdings UK Limited

Strategic report (continued) for the year ended 31 December 2021

Section 172 (1) Statement (continued)

Stakeholder group	How we engage	Why we engage	What matters to this Group?
Suppliers	<p>The group CEO and members of senior management regularly met with key suppliers.</p> <p>Suppliers must demonstrate that they operate in accordance with recognised standards that uphold human rights and safety, prohibit modern slavery and promote sustainable sourcing.</p> <p>Our Supplier Code of Conduct conveys our expectations for our suppliers. This Supplier Code is referenced in all new purchase orders and contracts. While we recognise that there are different legal and cultural environments in which our suppliers operate, our Supplier Code of Conduct sets forth basic requirements that all of our suppliers must meet.</p> <p>We engaged with strategic suppliers through a regularly scheduled business review and scorecard process. This review process addressed supplier performance on operational metrics, financial health, diversity and sustainability, among other measures. We define the "strategic suppliers" who participate in this process as suppliers who are critical to our core business. Taken together, these suppliers typically encompass the largest percentage of our annual spend.</p>	<p>We need to maintain relationships with suppliers and manufacturers worldwide who can meet our high standards.</p>	<p>Fair trading and payment terms</p> <p>Anti-bribery and corruption</p> <p>Ethics and slavery</p> <p>ESG</p> <p>Diversity and inclusion</p>
Shareholders	<p>Senior management participated in formal industry conferences, one-on-one investor meetings and nondeal roadshows.</p>	<p>We view engagement with our shareholders as central to Nielsen's success as it helps inform our strategic initiatives and corporate governance matters.</p>	<p>Strategy</p> <p>Revenue growth and profitability</p> <p>Capital allocation</p> <p>Corporate governance</p> <p>Transparency</p> <p>Access to senior leadership and/or the board</p> <p>ESG</p>

AC Nielsen Holdings UK Limited

Strategic report (continued) for the year ended 31 December 2021

Post balance sheet events

The invasion of Ukraine by Russia on 24 February 2022 has led to significant sanctions against Russia. The company has no ongoing exposures to, or investments in, Russian-related interests, and the conflict is not expected to have any impact on the company at this time.

Key financial performance indicators and principal risks

The principal risk relates to the performance of the subsidiaries and the related impact on impairment of investment. The directors consider the risks to be minimal and do not consider any key financial indicators to monitor performance

This report was approved by the board on

16 December 2022 and signed on its behalf by:

P Pathak
P Pathak
Director

AC Nielsen Holdings UK Limited

Directors' report for the year ended 31 December 2021

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

Results and dividends

The loss for the financial year, after taxation, amounted to £22,286 (2020: profit £5,043,257). AC Nielsen Holdings UK Limited is a holding entity and it does not generate any revenue from its operations. The only income recognised by the entity is interest which is exceeded by administrative expenses and interest payable. The directors do not recommend the payment of a final dividend (2020: £nil).

Going concern

After undertaking a going concern assessment for the period up to and including 31 December 2023, the company's forecasts and support available from the ultimate parent company, the directors have a reasonable expectation that the company has sufficient resources to continue in operation for at least until 31 December 2023. The company closely monitors and carefully manages its liquidity position, regularly forecasting future cash flow and running sensitivities regarding minimum liquidity levels necessary to comply with covenants governing debt arrangements. These considerations included A.C. Nielsen Company Limited director's assessment of going concern and of any developments since that date that would adversely affect that conclusion. The entity has obtained parental support until 31 December 2023. After going concern and liquidity analysis of the group company, the directors have satisfied themselves that the parent company has sufficient funds and facilities to provide the financial support. In addition, at the local and group level, the company has performed stress testing that considered a range of severe but plausible scenarios with potential adverse impacts on its finances. Based on this analysis, the company is satisfied that it has a secure financial position that will enable it to continue its operations. Following consideration of the updated forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, under the condition of parental support. Therefore, the directors continue to adopt the going concern basis of accounting in preparing these financial statements.

Future developments

An indication of the likely future developments in the business have been included in the Strategic report on page 1.

AC Nielsen Holdings UK Limited

Directors' report (continued) for the year ended 31 December 2021

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise indicated are given below:

B Morrison (appointed 13 October 2021)
I C Palmqvist
P Pathak (appointed 29 June 2021)
L Sacchetti (resigned 29 June 2021)
L A Traynor (appointed 13 October 2021)
R White

Qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing their report and to establish that the company's auditor is aware of that information.

Independent auditor

The independent auditor, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on

16 December 2022 and signed on its behalf.

P Pathak

P Pathak
Director

AC Nielsen Holdings UK Limited

Directors' responsibilities statement for the year ended 31 December 2021

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements of the company in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements of the company for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Independent auditor's report to the members of AC Nielsen Holdings UK Limited

Opinion

We have audited the financial statements of AC Nielsen Holdings UK Limited for the year ended 31 December 2021 which comprise Profit and loss account, the Balance sheet, the Statement of changes in equity and the related notes 1 to 15, 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern until 31 December 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent auditor's report to the members of AC Nielsen Holdings UK Limited (continued)

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 this 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 the 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 year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 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 specific 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 set out on page 8, 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.

Independent auditor's report to the members of AC Nielsen Holdings UK Limited (continued)

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.

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are Companies Act 2006, FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice) as well as the relevant direct and indirect tax compliance regulation in the United Kingdom and the EU General Data Protection Regulation (GDPR).
- We understood how AC Nielsen Holdings Limited is complying with those frameworks by making inquiries of management and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes, correspondence received from regulatory bodies, as well as consideration of the results of our audit procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might be meeting with management within various parts of the business to understand where they considered there was susceptibility to fraud. We also considered performance targets and their propensity to influence on efforts made by management to manage earnings. We considered programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter, and detect fraud, and how senior management monitors those programmes and controls. We incorporated data analytics to address the risk of management override of controls, through testing of journal entries and we obtained corroborating evidence for such entries.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved review of board minutes, enquiries with management and testing of manual journals identified with focus on searching for and testing: manually processed journals, journals indicating large or unusual transactions and journals by senior management.

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

Independent auditor's report to the members of AC Nielsen Holdings UK Limited (continued)

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.

Ernst & Young LLP

Carl Stone (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Reading
Date: 16 December 2022

AC Nielsen Holdings UK Limited

Profit and loss account for the year ended 31 December 2021

	Note	2021 £	2020 £
Administrative expenses		(19,893)	(7,976)
Operating loss		(19,893)	(7,976)
Gain on investment transfer	6	-	5,059,628
Interest receivable	7	1,149	4,349
Interest payable and similar expenses	8	(3,542)	(12,744)
(Loss)/profit before tax		(22,286)	5,043,257
Tax on (loss)/profit	9	-	-
(Loss)/profit for the financial year		(22,286)	5,043,257

There were no recognised gains and losses for 2021 or 2020 other than those included in the profit and loss account, as such a statement of other comprehensive income has not been presented.

The notes on pages 17 to 24 form part of these financial statements.

AC Nielsen Holdings UK Limited

Registered number: 03863855

Balance sheet as at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investments	10		80,278,678		80,278,678
Current liabilities					
Creditors: amounts falling due within one year	11	(4,894,738)		(4,872,452)	
Net current liabilities			(4,894,738)		(4,872,452)
Total assets less current liabilities			<u>75,383,940</u>		<u>75,406,226</u>
Net assets			<u>75,383,940</u>		<u>75,406,226</u>
Capital and reserves					
Called up share capital	12		4		4
Retained earnings			<u>75,383,936</u>		<u>75,406,222</u>
Total equity			<u>75,383,940</u>		<u>75,406,226</u>

The financial statements were approved and authorised for issue by the board on 16 December 2022 and were signed on its behalf by:

P Pathak

P Pathak
Director

The notes on pages 17 to 24 form part of these financial statements.

AC Nielsen Holdings UK Limited

Statement of changes in equity for the year ended 31 December 2021

	Called up share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2021	4	75,406,222	75,406,226
Comprehensive expense for the year			
Loss for the financial year, being the total comprehensive expense for the year	-	(22,286)	(22,286)
At 31 December 2021	4	75,383,936	75,383,940

Statement of changes in equity for the year ended 31 December 2020

	Called up share capital	Share premium account	Capital redemption reserve	Capital contribution reserve	Retained earnings	Total equity
	£	£	£	£	£	£
At 1 January 2020	58,539	25,168,562	7,992,000	50,000,000	(12,856,132)	70,362,969
Comprehensive income for the year						
Profit for the financial year, being the total comprehensive income for the year	-	-	-	-	5,043,257	5,043,257
Shares redeemed during the year	(58,535)	(25,168,562)	-	-	-	(25,227,097)
Transfer to/from profit and loss account	-	-	(7,992,000)	(50,000,000)	83,219,097	25,227,097
At 31 December 2020	4	-	-	-	75,406,222	75,406,226

AC Nielsen Holdings UK Limited

Statement of changes in equity (continued) for the year ended 31 December 2020

Share premium account

The share premium account represents the difference between the par value of the shares issued and the subscription or issue price.

Capital redemption reserve

The capital redemption reserve is a non-distributable reserve into which amounts are transferred following the redemption or purchase of the company's own shares.

Capital contribution reserve

The capital contribution reserve is a distributable reserve into which the amounts have been transferred following a contribution from the immediate parent.

The notes on pages 17 to 24 form part of these financial statements.

AC Nielsen Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2021

1. General information

The principal activity of AC Nielsen Holdings UK Limited ("the company") is the investment in other UK registered companies.

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Nielsen House, John Smith Drive, Oxford, Oxfordshire, OX4 2WB.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of preparation of financial statements

The individual financial statements of AC Nielsen Holding UK Limited have been prepared in accordance with Financial Reporting Standard 101, Reduced Disclosure Framework ("FRS 101") and the Companies Act 2006.

The financial statements have been prepared on a going concern basis, under the historical cost convention. See note 2.3 for further details.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management exercise judgement in applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' (disclosure of valuation techniques and inputs used for Fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1
- The following paragraphs of IAS1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 388-D (additional comparative information);
 - 111 (cash flow statement information); and
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 of IAS 24, Related party disclosures; (key management compensation); and
- The requirements in IAS 24, 'Related party disclosures' to related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

AC Nielsen Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation of financial statements (continued)

Note 14 gives details of the company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

2.2 Changes in accounting policy and disclosures

(i) New and amended standards adopted by the company

There are no new IFRSs or IFRIC interpretations that are effective for the first time for the financial period beginning on or after 1 January 2021 that have been adopted or have an impact on the financial statements of the company.

2.3 Going concern

After undertaking a going concern assessment for the period up to and including 31 December 2023, the company's forecasts and support available from the ultimate parent company, the directors have a reasonable expectation that the company has sufficient resources to continue in operation for at least until 31 December 2023. The company closely monitors and carefully manages its liquidity position, regularly forecasting future cash flow and running sensitivities regarding minimum liquidity levels necessary to comply with covenants governing debt arrangements. These considerations included A.C. Nielsen Company Limited director's assessment of going concern and of any developments since that date that would adversely affect that conclusion. The entity has obtained parental support until 31 December 2023. After going concern and liquidity analysis of the group company, the directors have satisfied themselves that the parent company has sufficient funds and facilities to provide the financial support. In addition, at the local and group level, the company has performed stress testing that considered a range of severe but plausible scenarios with potential adverse impacts on its finances. Based on this analysis, the company is satisfied that it has a secure financial position that will enable it to continue its operations. Following consideration of the updated forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, under the condition of parental support. Therefore, the directors continue to adopt the going concern basis of accounting in preparing these financial statements.

2.4 Consolidation

The financial statements contain information about AC Nielsen Holdings UK Limited as an individual company. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is included in the financial statements of the ultimate parent undertaking, Nielsen Holdings Plc, a company incorporated in the United Kingdom.

2.5 Functional and presentational currency

The company's functional and presentational currency is Pound Sterling. All financial information presented in Pound Sterling has been rounded to the nearest pound.

AC Nielsen Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.6 Foreign currencies

Transactions denominated in foreign currencies are recorded in the local currency at actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

2.7 Interest receivable

Interest receivable is recognised in the profit and loss account using the effective interest method.

2.8 Interest payable and similar charges

Interest payable is charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated instrument.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns in respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income 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 income tax asset is realised or the deferred income tax liability is settled.

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.10 Investments

Investments held as fixed assets are recognised at cost and subsequently stated at cost less amounts provided to reflect any impairment in value.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

AC Nielsen Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2021

2. Summary of significant accounting policies (continued)

2.11 Financial instruments

Financial liabilities

The company's financial liabilities comprise bank overdrafts and accruals and deferred income, which are shown in note 11 and in the balance sheet. Management determines the classification of its financial liabilities at initial recognition.

The company's financial liabilities are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Impairment of financial assets.

Impairment testing is an area involving management judgements, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters.

(ii) Taxes

Determining income tax provisions involves judgements on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used on temporary differences where it is probable that there will be taxable income against which these can be offset.

4. Auditor's remuneration

The subsidiary of the company, A C Nielsen Company Limited, paid the following amounts on behalf of the company in respect of the audit of the financial statements.

	2021 £	2020 £
Fees for the audit of the company's financial statements	7,500	7,500

AC Nielsen Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2021

5. Directors' remuneration

The directors of the company are also directors or officers of other Nielsen group companies, and the emoluments have been borne by those companies. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the year ended 31 December 2021 and the year ended 31 December 2020.

During the year retirement benefits were accruing to no directors (2020: 3) in respect of defined contribution schemes.

The company has no other employees other than the directors.

6. Income from fixed asset investments

	2021 £	2020 £
Gain on transfer of investments	-	5,059,628

On 17 April 2020, AC Nielsen Holdings Limited transferred its entire shareholding in Nielsen Media Research Limited to AC Nielsen Company Limited with a market value of £5,059,628 against the issue of 2 ordinary shares of £1 each at a value of £2,529,814 per share. The investment held in Nielsen Media Research Limited had previously being impaired to £nil, therefore the transfer of shares at market value has resulted in a gain on the transfer of investments of £5,059,628 and a corresponding increase in the value of investments (see note 10).

7. Interest receivable

	2021 £	2020 £
Bank interest receivable	1,149	4,349

8. Interest payable and similar charges

	2021 £	2020 £
On bank overdraft	3,542	12,744

AC Nielsen Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2021

9. Taxation

There is no current tax or deferred tax for the financial year ended 31 December 2021 or the previous year.

Factors affecting tax charge for the year

The tax assessed for the year is higher (2020: lower) than the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £	2020 £
(Loss)/profit on ordinary activities before tax	(22,286)	5,043,257
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	(4,234)	958,219
Effects of:		
Expenses not deductible	570	-
Income not taxable	-	(961,329)
Amounts not recognised	3,664	3,110
Total tax charge for the year	-	-

Factors that may affect future tax charges

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

The deferred tax assets on non-trading losses carried forward and loan relationships are not being recognised due to uncertainty over future utilisation of these losses. Deferred tax assets at 31 December 2021 on non-trading losses carried forward and loan relationships amount to £22,619 (2020: £13,981) and £140,786 (2020: £106,543) respectively.

10. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2021 and 31 December 2021	80,278,678
Net book value	
At 31 December 2021	80,278,678
At 31 December 2020	80,278,678

AC Nielsen Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2021

10. Fixed asset investments (continued)

Subsidiary undertakings

The following are direct subsidiary undertakings of the company:

Name	Class of shares	Holding	2021	2020
	£	£	£	£
A C Nielsen Company Limited	Ordinary	100%	80,278,678	80,278,678

The subsidiary undertaking is incorporated in the United Kingdom and operate in the consumer marketing services industry. The address of the registered office of A C Nielsen Company Limited is Nielsen House, John Smith Drive, Oxford, Oxfordshire, OX42WB.

Through A.C. Nielsen Company Limited, the company also indirectly owns 100% of the ordinary share capital of Volcano Data Limited, a company incorporated in Israel and has the principal activity of the development of computer software programmes. The registered office address is Abba Hillel 12, 12 Floor, Ramat Gran, Israel.

Through AC Nielsen Company Limited, the company also indirectly holds 100% of the ordinary share capital in Brandbank Limited, which is incorporated in the United Kingdom and has the principal activity of gathering digital data and images about fast moving consumer goods and distributing that information to the online retail sectors. The address of the registered office of Brandbank Limited is 35b Barnard Road, Norwich, Norfolk, England, NR5 9JB.

The company performs its investment impairment test annually, or more frequently if there are indications that it's investment might be impaired.

The recoverable amount of AC Nielsen Holdings Limited's investment in AC Nielsen Company Limited as at 31 December 2021 has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period, with a long term growth of 2% in perpetuity. The long-term growth rate is based on the long-term inflation rate of 2%. The pre-tax discount rate applied to cash flow projections is 7%. This is based on the weighted average cost of capital (WACC) for the company adjusted for risk associated with the cash flow projections.

The key assumptions for this calculation are those regarding the discount rates, revenue growth rates in years 1-5 and EBITDA. These assumptions for the year reflect historic trends and current economic environment which has resulted in more conservative estimates about the future. A five-year period cumulative annual growth rate (CAGR) in low single digits in revenue and maintaining historic EBITDA margin % have been assumed. The revenue growth rates for years 1-5 and EBITDA margin assumptions reflect the Companies' past experience and take into account the current economic environment. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the cash flow projections of the company. There is also an implied assumption that the current transfer price agreements will continue going forward.

The value in use was concluded to be the appropriate methodology to measure the recoverable amount rather than fair value less costs of disposal and hence being the recoverable amount £121.9m. As a result of this analysis, management has not recognised an impairment charge as there is sufficient headroom of £41.6m over the carrying value of the investment as at 31 December 2021.

The company has conducted a sensitivity analysis on the impairment test. An increase in the discount rate to 9.5% would result in an impairment charge of £4.9m.

AC Nielsen Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2021

11. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	4,860,710	4,836,274
Amounts owed to group undertakings	-	6,414
Accruals and deferred income	34,028	29,764
	<u>4,894,738</u>	<u>4,872,452</u>

12. Called up share capital

	2021 £	2020 £
Allotted and fully paid		
4 (2020: 4) ordinary shares of £1 each	4	4
	<u>4</u>	<u>4</u>

13. Related party transactions

The company is exempt from disclosing related party transactions with companies that are wholly owned within the Nielsen Holdings Plc group.

14. Parent undertakings and controlling party

The company's immediate parent undertaking is Nielsen Holding France SAS, a company incorporated in France.

The ultimate parent undertaking and controlling party is Intermediate Dutch Holdings B.V., a company incorporated in the Netherlands. The largest group in which the results of the company were consolidated is that headed by Intermediate Dutch Holdings B.V.. Copies of the financial statements can be obtained from Intermediate Dutch Holdings B.V., Diemerhof 2, Diemen, 1112 XL, Netherlands.

15. Post balance sheet events

The invasion of Ukraine by Russia on 24 February 2022 has led to significant sanctions against Russia. The company has no ongoing exposures to, or investments in, Russian-related interests, and the conflict is not expected to have any impact on the company at this time.