

Company Registration No. 13062468 (England and Wales)

**BASIS RESEARCH GROUP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**



# **BASIS RESEARCH GROUP LIMITED**

## **COMPANY INFORMATION**

---

<b>Directors</b>	Mr R Mortensen Mrs C A Smith
<b>Company number</b>	13062468
<b>Registered office</b>	264 Banbury Road Oxford OX2 7DY
<b>Auditor</b>	Shaw Gibbs (Audit) Limited 264 Banbury Road Oxford OX2 7DY

---

# **BASIS RESEARCH GROUP LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Group statement of comprehensive income	7
Group balance sheet	8
Company balance sheet	9
Group statement of changes in equity	10
Company statement of changes in equity	11
Group statement of cash flows	12
Notes to the financial statements	13 - 27

---

# **BASIS RESEARCH GROUP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2023**

---

The directors present the strategic report for the year ended 31 March 2023.

#### **Review of the business**

Basis continues to be a culture-first business, with significant investment in talent acquisition, retention and development across the Basis Group. This approach has enabled Basis to build a strong business in the UK, as well as diversify into new sectors and markets in the past few years.

This approach was continued in the financial year ending 31 March 2023, with Basis investing in the setup of a new AI consultancy (Basis Ideas LLC). During this time, it also expanded its team in the US in both the Consumer and Health sectors.

The agency was also recognised in industry awards, including the MRS Application of Insight Award.

#### **Principal risks and uncertainties**

Whilst Basis was in a strong position at the end of March 2023, there were several external risks and uncertainties facing the business at year-end. The macro-economic environment continues to affect both consumer and business confidence across sectors and markets, placing further pressure on client budgets.

The exact timing or impact on Basis of these macro-economic headwinds is hard to predict, and we therefore continue to mitigate them by diversifying our business and developing new revenue streams. By lessening our reliance on any one market, sector, or client, we can continue to grow despite the challenges our industry faces.

#### **Development and performance**

Based on the balance of progress made this year and near-term uncertainties, we believe the group is in a strong position at year-end. The ongoing diversification of our business and the scaling of our core teams provide a strong foundation for continued growth in years to come.

#### **Key performance indicators**

The Directors monitor the performance of the group through a range of financial KPIs. The two most critical metrics continue to be gross profit and operating profit. For the year ending March 31, 2023, the group delivered £15,133,399 of gross profit with operating profit of £1,497,005. The level of operating profit is slightly lower than the long-term ambition, but it reflects the costs associated with launching a new AI team and bringing in a range of new senior hires across the business.

#### **Future developments and research and development**

Looking to the future, our focus continues to be on the consolidation and growth of our existing business across the UK and US. Our AI business is now fully launched and integrated with the rest of the Group, and we are bringing in several new hires to fuel our continued expansion.

On behalf of the board

Mr R Mortensen  
**Director**

15 December 2023

# **BASIS RESEARCH GROUP LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2023**

---

The directors present their annual report and financial statements for the year ended 31 March 2023.

#### **Principal activities**

The principal activity of the company continued to be that of being a holding company, while the principal activity of the group continued to be that of market research.

#### **Results and dividends**

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £4,306,171 (2022: £2,530,000). The directors do not recommend payment of a further dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A C Jameson	(Resigned 13 March 2023)
Mr R Mortensen	
Mrs C A Smith	

#### **Auditor**

The auditor, Shaw Gibbs (Audit) Limited, is deemed to be reappointed under section 487(2) 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 ; and
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

# **BASIS RESEARCH GROUP LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

---

### **Matters covered in the strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of fair review of the business, developments and performance, and principal risks and uncertainties.

On behalf of the board

Mr R Mortensen  
**Director**

15 December 2023

# **BASIS RESEARCH GROUP LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BASIS RESEARCH GROUP LIMITED**

---

#### **Opinion**

We have audited the financial statements of Basis Research Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2023 and of the group's profit 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 group and parent 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 group's and parent 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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

# **BASIS RESEARCH GROUP LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF BASIS RESEARCH GROUP LIMITED**

---

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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.

1. At the planning stage of the audit, we gain an understanding of the laws and regulations which apply to the company and how the management seek to comply with those laws and regulations. This helps us to plan appropriate risk assessments.
2. During the audit, we focus on relevant risk areas and review the compliance with the laws and regulations by making relevant enquiries and undertaking corroboration, for example by reviewing Board Minutes and other documentation.
3. We assess the risk of material misstatement in the financial statements including as a result of fraud and undertook procedures including:
  - a. Reviewing the controls set in place by management;
  - b. Making enquiries of management as to whether they consider fraud or other irregularity may have taken place, or where such opportunity might exist;
  - c. Challenging management assumptions with regard to accounting estimates such as stage of completion the projects; and
  - d. Identifying and testing journal entries, particularly those which appear to be unusual by size or nature.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

---

## **BASIS RESEARCH GROUP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF BASIS RESEARCH GROUP LIMITED**

---

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

#### **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.

**Malik Nayyer Salim (Senior Statutory Auditor)**  
**For and on behalf of Shaw Gibbs (Audit) Limited**

15 December 2023

**Chartered Certified Accountants**  
**Statutory Auditor**

264 Banbury Road  
Oxford  
OX2 7DY

## BASIS RESEARCH GROUP LIMITED

### GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
<b>Turnover</b>	<b>3</b>	24,517,795	27,501,958
Cost of sales		(9,384,396)	(11,921,770)
<b>Gross profit</b>		<u>15,133,399</u>	<u>15,580,188</u>
Administrative expenses		(13,637,091)	(10,296,459)
Other operating income		697	119,693
<b>Operating profit</b>	<b>4</b>	<u>1,497,005</u>	<u>5,403,422</u>
Interest receivable and similar income	<b>8</b>	1,591	421
Interest payable and similar expenses	<b>9</b>	(15,824)	(7,210)
<b>Profit before taxation</b>		<u>1,482,772</u>	<u>5,396,633</u>
Tax on profit	<b>10</b>	2,617,536	(1,109,607)
<b>Profit for the financial year</b>		<u>4,100,308</u>	<u>4,287,026</u>
<b>Other comprehensive income</b>			
Currency translation gain taken to retained earnings		180,583	117,771
<b>Total comprehensive income for the year</b>		<u><u>4,280,891</u></u>	<u><u>4,404,797</u></u>
Profit for the financial year is attributable to:			
- Owners of the parent company		4,172,834	3,352,873
- Non-controlling interests		(72,526)	934,153
		<u>4,100,308</u>	<u>4,287,026</u>
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		4,321,309	3,436,948
- Non-controlling interests		(40,418)	967,849
		<u>4,280,891</u>	<u>4,404,797</u>

The group statement of total comprehensive income has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the group statement of total comprehensive income.

# BASIS RESEARCH GROUP LIMITED

## GROUP BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		423,662		440,049
Investments	13		20,911		20,911
			<u>444,573</u>		<u>460,960</u>
<b>Current assets</b>					
Debtors	15	8,324,524		6,322,227	
Cash at bank and in hand		5,298,637		9,362,984	
			<u>13,623,161</u>		<u>15,685,211</u>
<b>Creditors: amounts falling due within one year</b>	16	(7,939,598)		(10,003,035)	
<b>Net current assets</b>			<u>5,683,563</u>		<u>5,682,176</u>
<b>Total assets less current liabilities</b>			<u>6,128,136</u>		<u>6,143,136</u>
<b>Creditors: amounts falling due after more than one year</b>	17		(20,215)		(20,912)
<b>Provisions for liabilities</b>					
Deferred tax liability	18	65,121		55,189	
			<u>(65,121)</u>		<u>(55,189)</u>
<b>Net assets</b>			<u>6,042,800</u>		<u>6,067,035</u>
<b>Capital and reserves</b>					
Called up share capital	20		1,656		611
Other reserves			30,893		30,893
Profit and loss reserves			5,169,208		5,154,070
<b>Equity attributable to owners of the parent company</b>			<u>5,201,757</u>		<u>5,185,574</u>
<b>Non-controlling interests</b>			<u>841,043</u>		<u>881,461</u>
			<u>6,042,800</u>		<u>6,067,035</u>

The financial statements were approved by the board of directors and authorised for issue on 15 December 2023 and are signed on its behalf by:

Mr R. Mortensen  
**Director**

Company registration number 13062468 (England and Wales)

# BASIS RESEARCH GROUP LIMITED

## COMPANY BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investments	13		690,167		567,143
<b>Current assets</b>					
Debtors	15	396,100		396,100	
Cash at bank and in hand		290,998		1,504	
		<u>687,098</u>		<u>397,604</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(140,778)</u>		<u>(35,345)</u>	
<b>Net current assets</b>			<u>546,320</u>		<u>362,259</u>
<b>Net assets</b>			<u>1,236,487</u>		<u>929,402</u>
<b>Capital and reserves</b>					
Called up share capital	20		1,656		611
Profit and loss reserves			<u>1,234,831</u>		<u>928,791</u>
<b>Total equity</b>			<u>1,236,487</u>		<u>929,402</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £4,612,212 (2022 - £2,766,278 profit).

The financial statements were approved by the board of directors and authorised for issue on 15 December 2023 and are signed on its behalf by:

Mr R. Mortensen  
**Director**

Company registration number 13062468 (England and Wales)

## BASIS RESEARCH GROUP LIMITED

### GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Other reserves	Profit and loss reserves	Total non-controlling interest	Total	
Notes	£	£	£	£	£	
<b>Balance at 1 April 2021</b>	611	30,893	4,247,122	4,278,626	812,110	5,090,736
<b>Year ended 31 March 2022:</b>						
Profit for the year	-	-	3,352,873	3,352,873	934,153	4,287,026
Other comprehensive income:						
Currency translation differences	-	-	117,771	117,771	-	117,771
Amounts attributable to non-controlling interests	-	-	(33,696)	(33,696)	33,696	-
Total comprehensive income	-	-	3,436,948	3,436,948	967,849	4,404,797
Dividends	-	-	(2,530,000)	(2,530,000)	(898,498)	(3,428,498)
<b>Balance at 31 March 2022</b>	611	30,893	5,154,070	5,185,574	881,461	6,067,035
<b>Year ended 31 March 2023:</b>						
Profit for the year	-	-	4,172,834	4,172,834	(72,526)	4,100,308
Other comprehensive income:						
Currency translation differences	-	-	180,583	180,583	-	180,583
Amounts attributable to non-controlling interests	-	-	(32,108)	(32,108)	32,108	-
Total comprehensive income	-	-	4,321,309	4,321,309	(40,418)	4,280,891
Issue of share capital	1,045	-	-	1,045	-	1,045
Dividends	-	-	(4,306,171)	(4,306,171)	-	(4,306,171)
<b>Balance at 31 March 2023</b>	1,656	30,893	5,169,208	5,201,757	841,043	6,042,800

# BASIS RESEARCH GROUP LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
<b>Balance at 1 April 2021</b>		611	692,513	693,124
<b>Year ended 31 March 2022:</b>				
Profit and total comprehensive income for the year		-	2,766,278	2,766,278
Dividends	11	-	(2,530,000)	(2,530,000)
<b>Balance at 31 March 2022</b>		611	928,791	929,402
<b>Year ended 31 March 2023:</b>				
Profit and total comprehensive income		-	4,612,211	4,612,211
Issue of share capital	20	1,045	-	1,045
Dividends	11	-	(4,306,171)	(4,306,171)
<b>Balance at 31 March 2023</b>		1,656	1,234,831	1,236,487

# BASIS RESEARCH GROUP LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26		941,656		7,444,523
Interest paid			(15,824)		(7,210)
Income taxes paid			(785,271)		(899,346)
			<u>140,561</u>		<u>6,537,967</u>
<b>Net cash inflow from operating activities</b>					
<b>Investing activities</b>					
Purchase of tangible fixed assets		(77,054)		(216,707)	
Interest received		1,591		421	
		<u>1,591</u>		<u>421</u>	
<b>Net cash used in investing activities</b>					
			(75,463)		(216,286)
<b>Financing activities</b>					
Proceeds from issue of shares		1,045		-	
Repayment of borrowings		(697)		-	
Dividends paid to equity shareholders		(4,306,171)		(2,530,000)	
Dividends paid to non-controlling interests		-		(898,498)	
		<u>-</u>		<u>(898,498)</u>	
<b>Net cash used in financing activities</b>					
			(4,305,823)		(3,428,498)
<b>Net (decrease)/increase in cash and cash equivalents</b>					
			(4,240,725)		2,893,183
Cash and cash equivalents at beginning of year			9,362,984		6,354,633
Effect of foreign exchange rates			176,378		115,168
			<u>9,539,362</u>		<u>6,469,801</u>
<b>Cash and cash equivalents at end of year</b>					
			<u>5,298,637</u>		<u>9,362,984</u>

# **BASIS RESEARCH GROUP LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2023**

---

### **1 Accounting policies**

#### **Company information**

Basis Research Group Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 264 Banbury Road, Oxford, OX2 7DY.

The group consists of Basis Research Group Limited and all of its subsidiaries.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The group companies have taken advantage of the exemptions provided by FRS 102 Section 33, not to disclose transactions and outstanding balances with Basis Research Group Holdings Limited and entities that form part of the Basis Research Group Holdings Limited group where they are, directly or indirectly, wholly owned by Basis Research Group Holdings Limited.

The subsidiary undertakings Basis Health London Limited and Basis Social Limited are exempt from the requirements of Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### **1.2 Basis of consolidation**

The consolidated group financial statements consist of the financial statements of the parent company Basis Research Group Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

# BASIS RESEARCH GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies (Continued)

#### 1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Turnover

Turnover represents the value of the work undertaken during the year, net of VAT or local taxes on sales. Where amounts have been invoiced but work not yet undertaken, these amounts are carried forward to future accounting periods. Where work has been undertaken but not invoiced, the value of this work has been accrued.

#### 1.5 Long term contracts

Amounts recoverable on long term contracts, which are included in accrued income, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in current liabilities as deferred income.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	15% Reducing balance
Plant and equipment	25% Straight line
Fixtures and fittings	15% Reducing balance or 20% Straight line or 200% Declining balance
Computers	15% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# BASIS RESEARCH GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

# BASIS RESEARCH GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.10 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# **BASIS RESEARCH GROUP LIMITED**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

---

### **1 Accounting policies (Continued)**

#### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.14 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### **1.16 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### **2 Judgements and key sources of estimation uncertainty**

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### ***Impairment of investments***

Management carry out a review of indicators of impairment in relation of investments in subsidiaries on an annual basis. In performing this review, management are required to make judgements as to whether the information considered (for example, recent results of the subsidiary) represents an indicator of impairment. Should indicators of impairment be noted, management then perform a detailed review of the value of the investments held in order to assess whether an impairment is required.

## BASIS RESEARCH GROUP LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 2 Judgements and key sources of estimation uncertainty (Continued)

##### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### Long term contracts and work in progress

The group has a number of customer contracts that span over two or more accounting periods.

Amounts recoverable on long term contracts, which are included in prepayments and accrued income, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in current liabilities as deferred income.

The key estimate in this area is the percentage that each project is complete at the year end date. This is determined by reference to the progress achieved against the milestones stipulated in the underlying contracts.

#### 3 Turnover and other revenue

	2023	2022
	£	£
<b>Turnover analysed by class of business</b>		
Market research	24,517,795	27,501,958
	<u>24,517,795</u>	<u>27,501,958</u>
	2023	2022
	£	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	8,603,622	9,071,297
Europe	3,076,416	3,072,533
Rest of the World	12,837,757	15,358,128
	<u>24,517,795</u>	<u>27,501,958</u>
	2023	2022
	£	£
<b>Other revenue</b>		
Interest income	1,591	421
Loan forgiven	-	119,693
	<u>1,591</u>	<u>119,693</u>

#### 4 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(260,419)	(68,980)
Depreciation of owned tangible fixed assets	88,237	81,275
Loss on disposal of tangible fixed assets	9,409	34,704
	<u>(162,773)</u>	<u>(22,001)</u>

# BASIS RESEARCH GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 5 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	16,000	8,250
Audit of the financial statements of the company's subsidiaries	28,000	25,000
	<u>44,000</u>	<u>33,250</u>
<b>For other services</b>		
All other non-audit services	<u>57,564</u>	<u>41,524</u>

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023	2022	Company 2023	2022
	Number	Number	Number	Number
Directors / Partners	15	9	3	3
Quantitative Team	44	39	-	-
Qualitative Team	39	31	-	-
Admin / Support	16	9	-	-
Total	<u>114</u>	<u>88</u>	<u>3</u>	<u>3</u>

Their aggregate remuneration comprised:

	Group 2023	2022	Company 2023	2022
	£	£	£	£
Wages and salaries	9,085,767	7,247,422	-	-
Social security costs	715,753	530,739	-	-
Pension costs	306,610	198,363	-	-
	<u>10,108,130</u>	<u>7,976,524</u>	<u>-</u>	<u>-</u>

### 7 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	369,254	384,502
Company pension contributions to defined contribution schemes	17,486	17,486
	<u>386,740</u>	<u>401,988</u>

# BASIS RESEARCH GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7	Directors' remuneration	(Continued)	
	Remuneration disclosed above includes the following amounts paid to the highest paid director:		
		2023	2022
		£	£
	Remuneration for qualifying services	202,803	229,049
	Company pension contributions to defined contribution schemes	6,600	6,600
		<u>          </u>	<u>          </u>
8	Interest receivable and similar income		
		2023	2022
		£	£
	<b>Interest income</b>		
	Interest on bank deposits	1,591	421
		<u>          </u>	<u>          </u>
	Investment income includes the following:	2023	2022
		£	£
	Interest on financial assets not measured at fair value through profit or loss	1,591	421
		<u>          </u>	<u>          </u>
9	Interest payable and similar expenses		
		2023	2022
		£	£
	<b>Other finance costs:</b>		
	Other interest	15,824	7,210
		<u>          </u>	<u>          </u>
10	Taxation		
		2023	2022
		£	£
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	1,069	646,446
	Adjustments in respect of prior periods	(9,846)	(2,025)
	Total UK current tax	(8,777)	644,421
	Foreign current tax on profits for the current period	147,052	451,351
	Total current tax	<u>138,275</u>	<u>1,095,772</u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(2,755,811)	13,835
		<u>          </u>	<u>          </u>
	Total tax (credit)/charge	<u>(2,617,536)</u>	<u>1,109,607</u>

# BASIS RESEARCH GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 10 Taxation

(Continued)

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	1,482,772	5,396,633
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	281,727	1,025,360
Tax effect of expenses that are not deductible in determining taxable profit	11,410	16,038
Tax effect of utilisation of tax losses not previously recognised	(1,524)	-
Unutilised tax losses carried forward	(651,512)	1,524
Adjustments in respect of prior years	790	-
Permanent capital allowances in excess of depreciation	13,573	(24,210)
Depreciation on assets not qualifying for tax allowances	2,313	2,319
Effect of overseas tax rates	149,959	67,184
Foreign exchange differences	(954)	963
Deferred taxation	-	13,835
Profit / Loss on disposal of fixed assets	1,788	6,594
EMI deduction	(2,425,106)	-
Taxation (credit)/charge	(2,617,536)	1,109,607
<b>11 Dividends</b>	<b>2023</b>	<b>2022</b>
Recognised as distributions to equity holders:	£	£
Interim paid	4,306,171	2,530,000

## BASIS RESEARCH GROUP LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 12 Tangible fixed assets

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2022	94,307	10,755	279,848	239,359	624,269
Additions	-	1,306	49,050	26,698	77,054
Disposals	-	-	-	(25,049)	(25,049)
Exchange adjustments	-	-	7,975	-	7,975
At 31 March 2023	94,307	12,061	336,873	241,008	684,249
<b>Depreciation and impairment</b>					
At 1 April 2022	13,138	387	99,784	70,911	184,220
Depreciation charged in the year	12,175	3,015	45,570	27,477	88,237
Eliminated in respect of disposals	-	-	-	(15,640)	(15,640)
Exchange adjustments	-	-	3,770	-	3,770
At 31 March 2023	25,313	3,402	149,124	82,748	260,587
<b>Carrying amount</b>					
At 31 March 2023	68,994	8,659	187,749	158,260	423,662
At 31 March 2022	81,169	10,368	180,064	168,448	440,049

The company had no tangible fixed assets at 31 March 2023 or 31 March 2022.

#### 13 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	14	-	-	690,167	567,143
Unlisted investments		20,911	20,911	-	-
		20,911	20,911	690,167	567,143

#### Movements in fixed asset investments

Group	Investments £
<b>Cost or valuation</b>	
At 1 April 2022 and 31 March 2023	20,911
<b>Carrying amount</b>	
At 31 March 2023	20,911
At 31 March 2022	20,911

# BASIS RESEARCH GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 13 Fixed asset investments (Continued)

#### Movements in fixed asset investments

Company	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 April 2022	567,143
Additions	123,024
	<hr/>
At 31 March 2023	690,167
	<hr/>
<b>Carrying amount</b>	
At 31 March 2023	690,167
	<hr/> <hr/>
At 31 March 2022	567,143
	<hr/> <hr/>

The addition to fixed asset investments relates to the capital contribution in Basis US Inc, to facilitate its investment in Basis Ideas LLC.

### 14 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Basis Research Limited	1	Market Research	Ordinary	100.00	-
Basis Research LA LLC	2	Market Research	Ordinary	90.00	-
Basis US Inc	3	Holding Company	Ordinary	100.00	-
Basis New York LLC	3	Market Research	Ordinary	0	79.00
Basis Health London Limited	1	Market Research	Ordinary	56.00	-
Basis Social Limited	1	Market Research	Ordinary	70.00	-
Basis Chicago	4	Market Research	Ordinary	83.00	-
Basis Ideas LLC	3	Market Research	Ordinary	0	65.00

Registered office addresses (all UK unless otherwise indicated):

1	264 Banbury Road, Oxford, Oxfordshire, OX2 7DY
2	6121 Sunset Boulevard, Los Angeles, CA 90028 USA
3	370 Lexington Avenue, Suite 2000, New York, NY 10017, USA
4	500 W. Madison Street, Suite 1000, Chicago, IL 60661, USA

# BASIS RESEARCH GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Debtors	Group 2023	2022	Company 2023	2022
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Trade debtors	4,241,787	4,381,554	-	-
Amounts owed by group undertakings	-	-	396,100	396,100
Other debtors	230,634	273,273	-	-
Prepayments and accrued income	1,084,836	1,665,876	-	-
	<u>5,557,257</u>	<u>6,320,703</u>	<u>396,100</u>	<u>396,100</u>
Deferred tax asset (note 18)	-	1,524	-	-
	<u>5,557,257</u>	<u>6,322,227</u>	<u>396,100</u>	<u>396,100</u>
<b>Amounts falling due after more than one year:</b>				
Deferred tax asset (note 18)	2,767,267	-	-	-
	<u>2,767,267</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total debtors</b>	<u>8,324,524</u>	<u>6,322,227</u>	<u>396,100</u>	<u>396,100</u>
<b>16 Creditors: amounts falling due within one year</b>	<b>Group</b>	<b>2022</b>	<b>Company</b>	<b>2022</b>
	<b>2023</b>	<b>£</b>	<b>2023</b>	<b>£</b>
	£	£	£	£
Trade creditors	1,486,042	2,629,515	1,296	12,289
Amounts owed to group undertakings	30,000	-	112,883	6,556
Corporation tax payable	4,636	651,632	-	-
Other taxation and social security	692,334	616,286	-	-
Other creditors	29,361	25,724	-	-
Accruals and deferred income	5,697,225	6,079,878	26,599	16,500
	<u>7,939,598</u>	<u>10,003,035</u>	<u>140,778</u>	<u>35,345</u>
<b>17 Creditors: amounts falling due after more than one year</b>	<b>Group</b>	<b>2022</b>	<b>Company</b>	<b>2022</b>
	<b>2023</b>	<b>£</b>	<b>2023</b>	<b>£</b>
	£	£	£	£
Notes				
Other borrowings	20,215	20,912	-	-
	<u>20,215</u>	<u>20,912</u>	<u>-</u>	<u>-</u>

## BASIS RESEARCH GROUP LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £	Assets 2023 £	Assets 2022 £
<b>Group</b>				
Accelerated capital allowances	65,121	55,189	-	-
Tax losses	-	-	2,767,267	1,524
	<u>65,121</u>	<u>55,189</u>	<u>2,767,267</u>	<u>1,524</u>

The company has no deferred tax assets or liabilities.

	Group 2023 £	Company 2023 £
<b>Movements in the year:</b>		
Liability at 1 April 2022	53,665	-
Credit to profit or loss	(2,755,811)	-
Asset at 31 March 2023	<u>(2,702,146)</u>	<u>-</u>

#### 19 Retirement benefit schemes

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>306,610</u>	<u>198,363</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

#### 20 Share capital

	2023 Number	2022 Number	2023 £	2022 £
<b>Group and company</b>				
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
A Ordinary Shares of £1 each	500	500	500	500
B Ordinary Shares of £1 each	107	107	107	107
C, D, F and G Ordinary Shares of £1 each	4	4	4	4
H Ordinary Shares of £1 each	1,045	-	1,045	-
	<u>1,656</u>	<u>611</u>	<u>1,656</u>	<u>611</u>

During the year, the company issued 1,045 H Ordinary shares of £1 each for a total consideration of £1,045.

# BASIS RESEARCH GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 20 Share capital (Continued)

During the year, the company issued 1,045 H Ordinary shares of £1 each for a total consideration of £1,045.

### 21 Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Within one year	466,111	447,177	-	-
Between two and five years	1,210,245	1,627,477	-	-
In over five years	-	19,466	-	-
	<u>1,676,356</u>	<u>2,094,120</u>	<u>-</u>	<u>-</u>

### 22 Related party transactions

As at the year end, the company was owed £334,930 (2022: £334,930) by Basis Social Limited.

As at the year end, the company was owed £61,170 (2022: £61,170) by Basis Health London Limited.

As at the year end, the company owed £56 (2022: £56) to Basis New York LLC.

As a wholly owned subsidiary undertaking of Basis Research Group Holdings Limited, the company has taken advantage of the exemption in FRS 102 Section 33.1A and has not disclosed transactions and outstanding balances with entities which form part of the group, where they are 100% owned (directly or indirectly) by Basis Research Group Holdings Limited.

As at the year end, Basis New York LLC was owed the following amounts from its shareholders:

- Randy Guzman £4,485
- Paul Eccles £4,820
- Amy Moss £45
- Nicole Citron £1,968

### 23 Events after the reporting date

On 20 October 2023, Basis Research Limited settled litigation with three former members of the group's key management personnel team, who were dismissed for cause in February 2022. The exact terms of the settlement are subject to a confidentiality agreement. However, all shares held by those individuals in the relevant subsidiary companies have been acquired by Basis Research Group Holdings Limited; those individuals formally resigned as Directors of the relevant subsidiary companies; and Basis Research Limited made a payment on 30 October 2023 in full and final settlement of all claims.

### 24 Directors' transactions

Dividends totalling £1,135,519 (2022 - £2,399,522) were paid by the group in the year in respect of shares held by the company's directors.

## BASIS RESEARCH GROUP LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 25 Subsidiary audit exemption

The following subsidiaries have taken an audit exemption under Section 479A of the Companies Act 2006:

- Basis Health London Limited - Company Registration No. 11844768
- Basis Social Limited - Company Registration No. 13073488

#### 26 Cash generated from group operations

	2023 £	2022 £
Profit for the year after tax	4,100,308	4,287,026
<b>Adjustments for:</b>		
Taxation (credited)/charged	(2,617,536)	1,109,607
Finance costs	15,824	7,210
Investment income	(1,591)	(421)
Loss on disposal of tangible fixed assets	9,409	34,704
Depreciation and impairment of tangible fixed assets	88,237	81,275
Bank loan forgiven	-	(119,693)
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	763,446	(296,185)
(Decrease)/increase in creditors	(1,416,441)	2,341,000
<b>Cash generated from operations</b>	<u>941,656</u>	<u>7,444,523</u>

#### 27 Analysis of changes in net funds - group

	1 April 2022 £	Cash flows £	Exchange rate movements £	31 March 2023 £
Cash at bank and in hand	9,362,984	(4,240,725)	176,378	5,298,637
Borrowings excluding overdrafts	(20,912)	697	-	(20,215)
	<u>9,342,072</u>	<u>(4,240,028)</u>	<u>176,378</u>	<u>5,278,422</u>

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