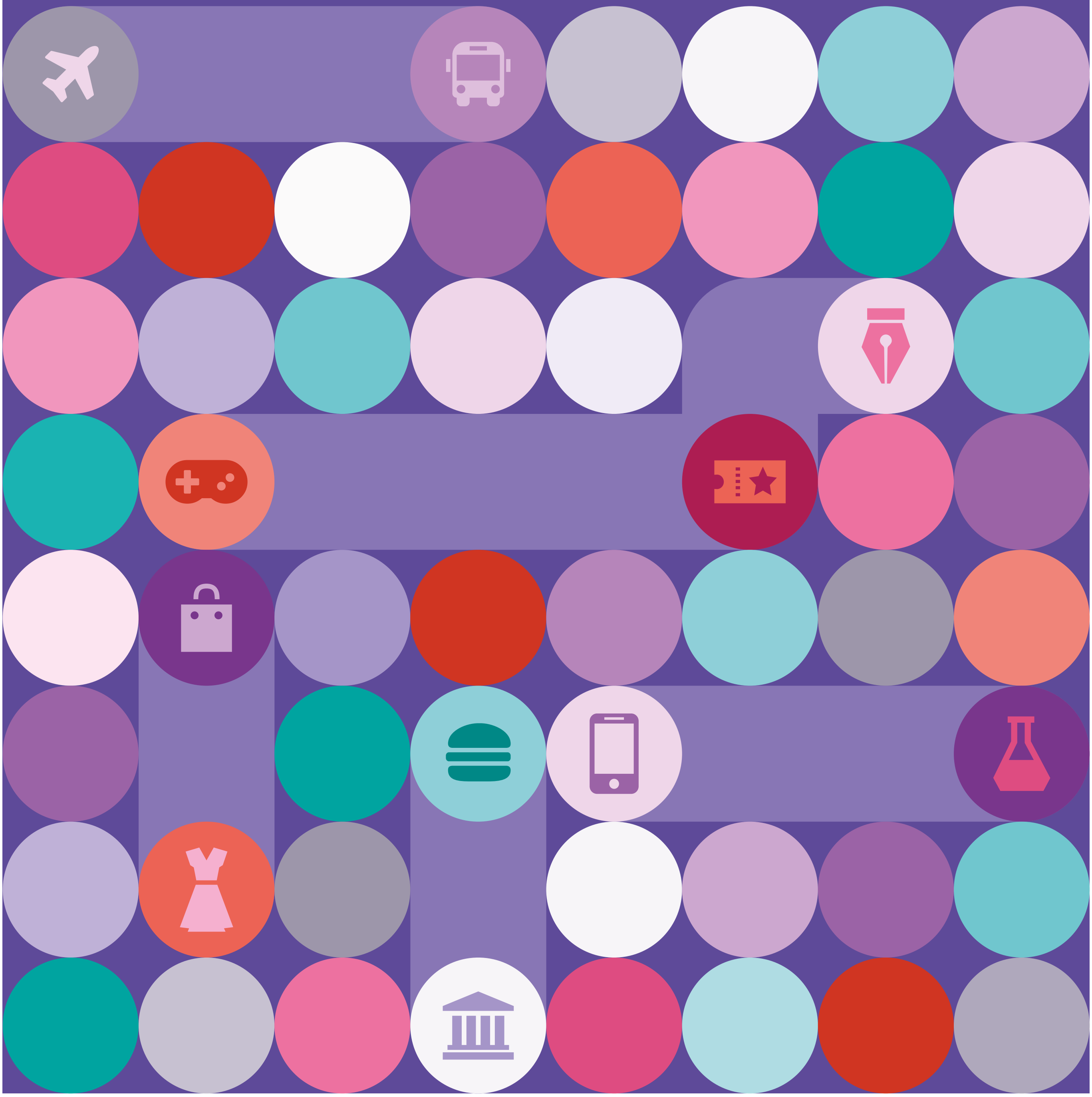
YouGov®

Best panel
Best data
Best tools

Annual Report and Accounts 2019



Welcome to the YouGov plc Annual Report for the year ended 31 July 2019.

Summary of financial results

Revenue £m
£136.5 **+17%**
2018: £116.6

Revenue per head £m
£0.1
2018: £0.1

Adjusted EBITDA [1] £m
£28.6 **+37%**
2018: £20.9

Staff costs as a % of revenue
48% **-1% pts**
2018: 49%

Adjusted operating profit[2] £m
£18.3 **+45%**
2018: £12.7

Statutory operating profit £m
£19.8 **+69%**
2018: £11.8

Adjusted operating profit margin[2] %
13% **+2% pts**
2018: 11%

Operating cash generation £m
£35.3 **+52%**
2018: £23.6

Adjusted profit before tax[2] £m
£20.5 **+26%**
2018: £16.3

Statutory profit before tax £m
£19.5 **+65%**
2018: £11.8

Adjusted basic earnings per share[1] pence
14.9p **+30%**
2018: 11.5p

Statutory basic earnings per share pence
14.2p **+84%**
2018: 7.7p

1. Defined in the explanation of Non-IFRS measures on page 38.
2. Defined in the explanation of Non-IFRS measures on page 38. In these Full-Year results and in future, we are using a revised definition of adjusted operating profit that includes amortisation of intangible assets charged to operating expenses; comparative figures have been restated accordingly.
3. Defined as growth in business excluding impact of current and prior period acquisitions £9.1m, the reduction in revenue as a result of the rationalisation of the Custom Research business (£2.7m) and movement in exchange rates £2.4m.

Financial and operational highlights

- Revenue growth of 17% (2018: 9%) – underlying business[3] growth of 10%
- Adjusted operating profit[2] up by 45% to £18.3m – 45% underlying business[3] growth
- Statutory operating profit up 69% to £19.8m
- Adjusted profit before tax[2] up by 26% to £20.5m
- Adjusted basic earnings per share[2] up by 30% to 14.9p (2018: 11.5p)
- Adjusted operating profit margin[2] up 2 percentage points to 13%
- Net cash balances of £37.9m (31 July 2018: £30.6m)
- Recommended dividend increase of 33% to 4.0p per share, payable in December 2019 (2018: 3.0p per share)
- Data Products & Services revenue up by 32% to £78.7m (18% from underlying business[3]); now representing 56% of total (2018: 50%)
  - Data Products revenue increased by 36% (25% from underlying business[3]) to £41.5m. Adjusted operating profit[2] up by 50% to £14.1m
  - Data Services revenue increased by 28% (11% from underlying business[3]) to £37.2m. Adjusted operating profit[2] up by 21% to £7.4m
- Custom Research revenue increased by 2% to £60.0m; continued strategic focus on higher margin work resulting in a 10% increase in adjusted operating profit[2] to £12.9m
- Strong performance from the UK and US: UK revenue grew by 31% (18% underlying business[3]) and US revenue grew by 17% (5% underlying business[3])
- First five-year plan complete – stretching targets exceeded

For more information visit:
corporate.yougov.com

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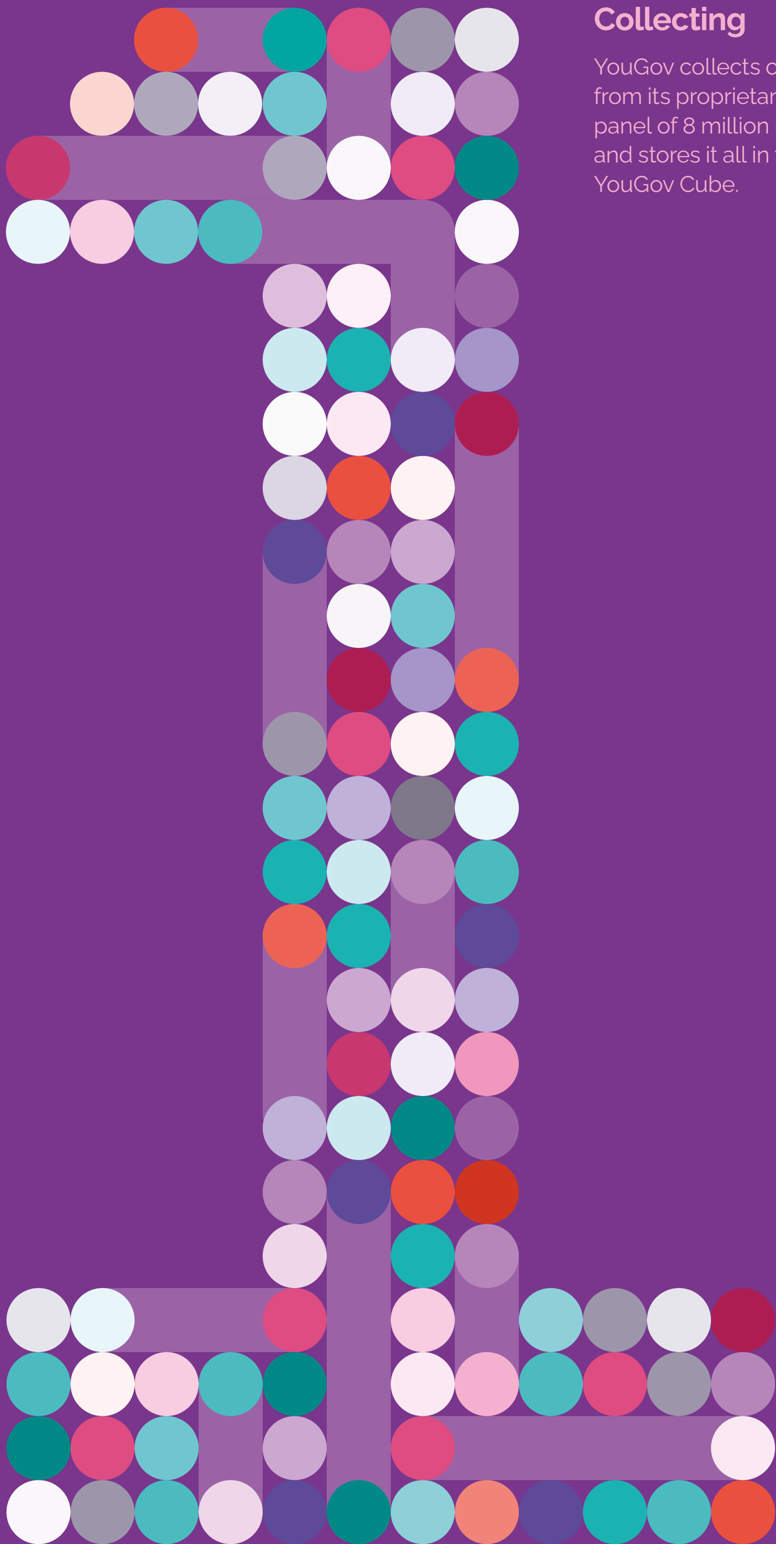
Strategic report



Collecting

YouGov collects opinion data from its proprietary global panel of 8 million individuals and stores it all in the YouGov Cube.

About YouGov

YouGov is an international research and data analytics group.

Our mission, vision and values

Our mission is to supply a continuous stream of accurate data and insight into what the world thinks, so that companies, governments and institutions can better serve the people and communities that sustain them.

Our vision is for YouGov to be the world's leading provider of marketing and opinion data. We want YouGov data to be a valued public resource used by hundreds of millions of people on a daily basis, enabling intelligent decision-making and informed conversations.

We are driven by a set of shared values. We are fast, fearless and innovative. We work diligently to get it right. We are guided by accuracy, ethics and proven methodologies. We trust each other and bring these values into everything that we do.

Best panel

Our core offering of opinion data is derived from our highly engaged proprietary global panel. Each day, the YouGov Global Panel in more than 40 markets provides us with thousands of data points on consumer attitudes, opinions and behaviour. We capture these streams of data in the YouGov Cube, our unique connected-data library that holds over ten years of historic single-source data.

Best data

As the pioneer of online market research, we have a strong record for data accuracy and innovation. A study by the Pew Research Center concluded that YouGov "consistently outperforms competitors on accuracy" as a vendor of choice. We are the market research pioneer of Multilevel Regression and Post-stratification ("MRP") for accurate predictions at a granular level.

Best tools

We maximise the value of our connected data through the application of leading-edge analytics technology and strong research expertise. Our integrated suite of products, services and tools operate as a systematic platform serving YouGov data and intelligence for all stages of the marketing workflow.

YouGov data is delivered through YouGov Crunch, the most advanced analytics tool for research data, combining super-fast processing with drag-and-drop simplicity.

Our ground-breaking syndicated data products include the daily brand perception tracker, YouGov BrandIndex, and the media planning and segmentation tool, YouGov Profiles. Our market-leading YouGov Omnibus service provides a fast and cost-effective solution for reaching nationally representative and specialist samples. YouGov's Custom Research division offers a wide range of quantitative and qualitative research, tailored by sector specialist teams to meet clients' specific requirements.

With operations in the UK, North America, Mainland Europe, the Nordics, the Middle East and Asia Pacific, YouGov has one of the world's largest research networks.

YouGov
Best panel
Best data
Best tools

For information on our products and services, see yougov.com.

For corporate and investor relations information, see corporate.yougov.com.

36
offices

8.4m
panellists

Our reach

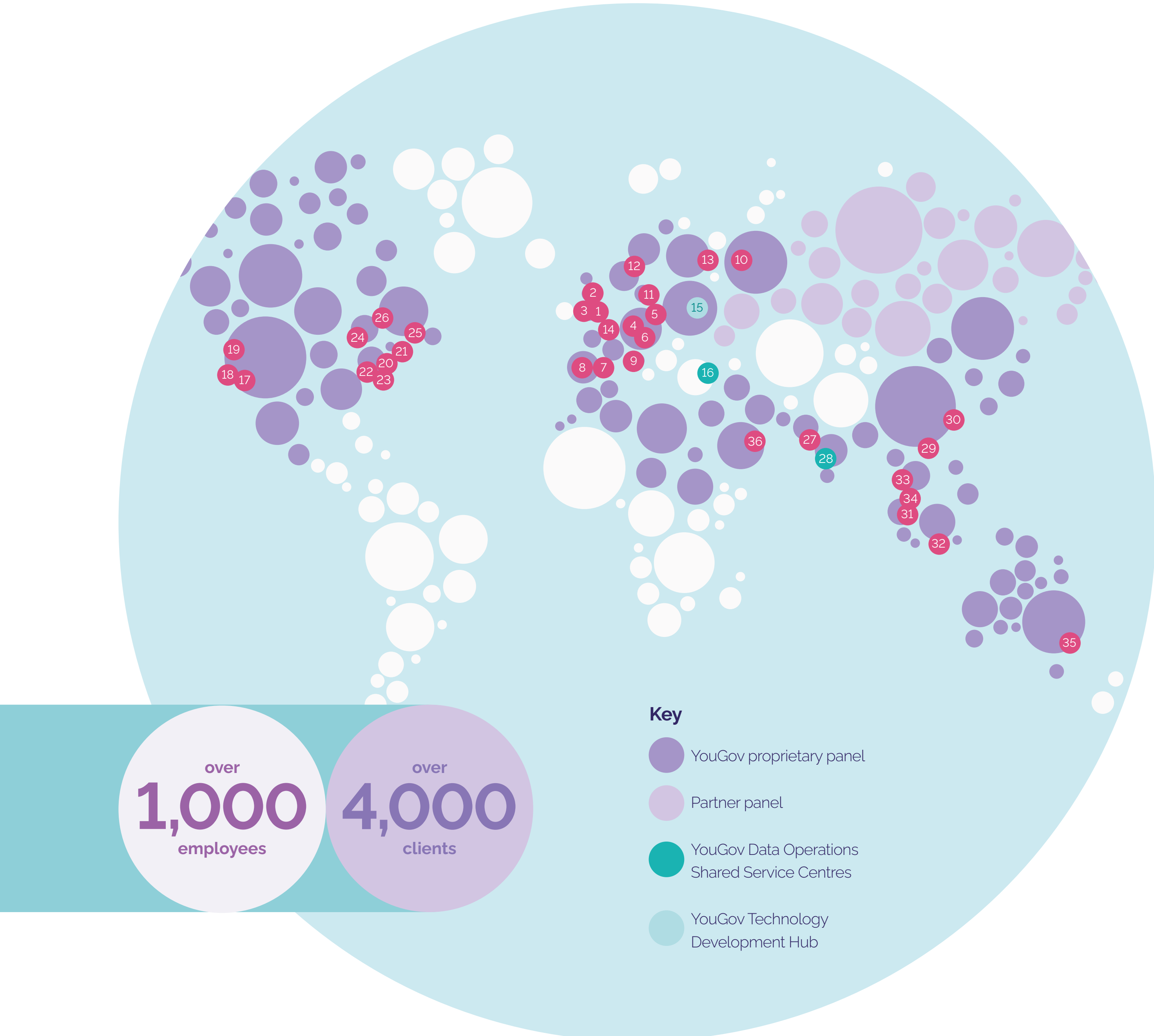
YouGov has one of the world's largest research networks.

Cities in which we have offices

1. London
2. Manchester
3. Guildford
4. Cologne
5. Berlin
6. Frankfurt
7. Barcelona
8. Madrid
9. Milan
10. Helsinki
11. Copenhagen
12. Oslo
13. Stockholm
14. Paris
15. Warsaw
16. Bucharest
17. Redwood City, CA.
18. San Francisco, CA.
19. Portland, OR.
20. Cheshire, CT.
21. New York, N.Y.
22. Herndon, VA.
23. Washington D.C.
24. Chicago, IL.
25. Boston, MA.
26. Toronto
27. Thane
28. Mumbai
29. Hong Kong
30. Shanghai
31. Singapore
32. Jakarta
33. Bangkok
34. Kuala Lumpur
35. Sydney
36. Dubai

YouGov Global Partnerships Programme

The YouGov Global Partnerships Programme offers affiliate partner research agencies access to YouGov's platforms, expertise and (where required) panel, while establishing the YouGov brand and data products in the local market. YouGov has partnerships in place with agencies in Egypt, Japan, Pakistan, Poland and Russia.



Chair's statement

YouGov is an international data and analytics group. We provide our clients with the data and insights to help them plan, develop and evaluate the impact of their marketing and communication activities. We now operate from 36 offices in 22 countries. This enables us to serve clients in more than 40 national markets. We operate a global panel of over 8 million panellists who share their data with us in ways that are fully compliant with data protection, privacy and security laws.

We have achieved another year of strong organic revenue growth, well ahead of the market[1]. This growth has led to a further increase in profitability, as we continue to focus on improving the business' margins.

Results and dividend

Group revenues were up 17% in reported terms to £136.5m (10% up on underlying business[2]) while adjusted operating profit[3] increased by 45% on the prior financial year to £18.3m. Improving margins has been a key component of YouGov's 2014-19 five-year plan for the business, and a significant driver of increased adjusted operating profit. This is in part a result of the business' strategy to focus on subscription data products.

These results reflect the Group successfully exceeding its five-year targets, as well as an encouraging start to the next phase of YouGov's growth. The Board remains confident in YouGov's potential, and is therefore pleased to recommend a dividend increase of 33% to 4.0p per share, payable on 16 December 2019.

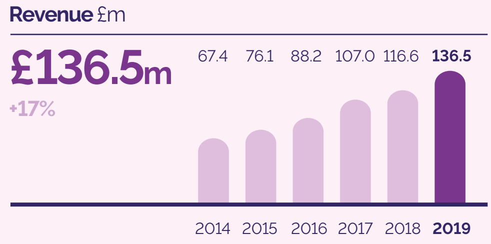
Strategic direction

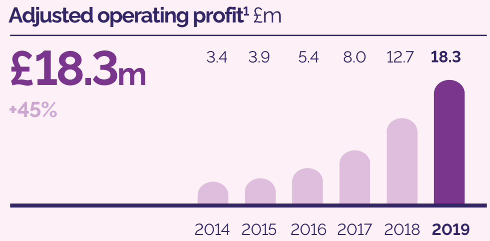
This year was the final year of our first five-year plan ("FYP1"). Over the course of FYP1, we have taken a series of actions consistent with our stated plan of moving away from traditional, project-based, market research to a subscription-based syndicated data model with supplementary data analysis services. We have chosen this strategic direction based on the changing needs of our clients and the availability of new technologies. It informs our decisions on recruitment, training, technology and geographic expansion.

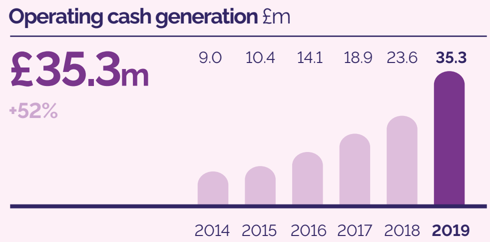
Our aspirational goal is to be recognised as the world's leading provider of high-quality market and opinion data and insights. Our cultivation of the world's largest and most engaged consumer panel will be a key enabler of this goal.

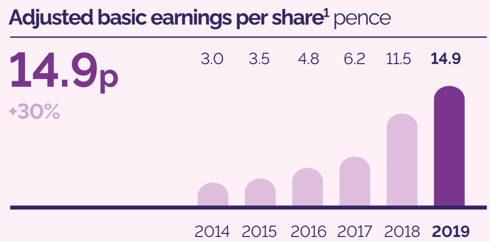
Long-term growth plans and LTIP targets

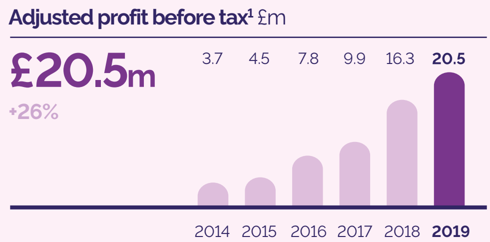
We choose to operate using the tool of five-year strategic growth plans to enable us to allocate resources, make investment decisions and to create a close link between corporate performance and executive remuneration. At the same time, as YouGov is growing fast in a dynamic and rapidly changing market, we place a high emphasis on remaining agile and nimble.

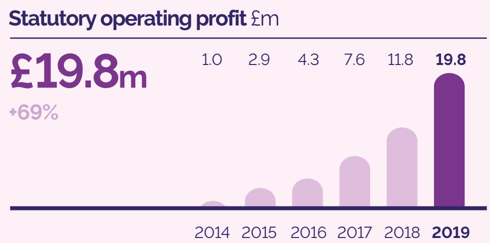












1 Defined in the explanation of Non-IFRS measures on page 38.

Having a five-year plan does not mean we feel we can confidently predict exactly how our market and our business will evolve over time, but it does set fixed and challenging financial performance targets which will create significant shareholder value.

The key targets for FYP1 were to grow adjusted earnings per share at a compound annual rate of more than 25% and for the average adjusted operating margin to be at least 12% (under the previous 'adjusted' definitions) over the five years to 31 July 2019. As this year's results show, both of those stretching targets were exceeded and therefore the long-term incentive plan aligned with FYP1, the LTIP 2014, is due to vest in full in November 2019.

The Company's next long-term growth plan ("FYP2") has been approved by the Board and focuses on the achievement of our aspirational goals and targets. The key targets for the four years to 31 July 2023 which define FYP2 are:

- Double Group revenue
- Double Group adjusted operating profit margin[3]
- Achieve an adjusted earnings per share[3] compound annual growth rate in excess of 30%

Following consultation with the Company's major shareholders, the Board has approved a new long-term incentive plan aligned with FYP2, with full vesting to be determined by growth in adjusted earnings per share[3] at a compound annual rate of more than 35%. The LTIP 2019 forms part of the 2019 Directors' Remuneration Report (on pages 57 to 64) which shareholders will be invited to approve at the upcoming Annual General Meeting.

Employee Benefit Trust

During the year, we established a new Employee Benefit Trust and approved a Share Purchase Programme of up to 1,000,000 YouGov plc shares by the end of October 2019. As at 31 July 2019, the Trust held 755,000 Ordinary Shares. These shares will ultimately be used by the Trust for the settlement of awards granted under the Company's employee share plans. At the time of writing, a continuation of the Share Purchase Programme for a further 12 months to October 2020 is under consideration by the Board.

Board composition

Following the year-end, we announced the retirement of two Non-Executive Directors from the Board. Ben Elliot stepped down in September 2019 after nine years' service and Nick Jones will be stepping down in December 2019 after ten years' service. Both Ben and Nick made significant contributions to YouGov over the years and, on behalf of shareholders, the Board offers them our sincere thanks.

Ashley Martin, who joined the Board during the year, has taken over from Nick as Chair of our Audit & Risk Committee. Rosemary Leith, who chairs our Remuneration Committee, will be taking on Nick's role as Senior Independent Director. For more information on the composition of our Board, see page 48.

Following Nick's departure, our Board will consist of four independent Non-Executive Directors and three Executive Directors. We have in place a comprehensive succession plan for all Board members to ensure we continue to have the right balance of skills and independent oversight.

Stakeholders

YouGov now employs more than 1,000 staff across four continents. On behalf of the Board and shareholders, I would like to thank all our employees, as well as our panellists, partners and clients, for their contribution to YouGov's ongoing success.

Current trading

Trading in the current financial year is in line with the Board's expectations.

Roger Parry
Chair
8 October 2019

[1] According to the ESOMAR Global Market Research Report published in September 2019, global research market turnover grew by 2.1% in 2018 (or by -0.3% after inflationary effects are factored in).

[2] Defined as growth in business excluding impact of current and prior period acquisitions £9.1m, the reduction in revenue as a result of the rationalisation of the Custom Research business (£2.7m) and movement in exchange rates £2.4m.

[3] Defined in the explanation of Non-IFRS measures on page 38. In these Full-Year results and in future, we are using a revised definition of adjusted operating profit that includes amortisation of intangible assets charged to operating expenses; comparative figures have been restated accordingly.

"These results reflect the Group successfully exceeding its five-year targets, as well as an encouraging start to the next phase of YouGov's growth."

Our stakeholders and our values

As a business focussed on what the world thinks, our stakeholders are vital to our ongoing success. Throughout this report you will find examples of how our stakeholders influence and contribute to our business and how we provide value to them in return.

Our stakeholder groups are:

Panellists

Keeping our panellists engaged is key to ensuring high-quality up-to-date data and we work to continually improve the panellist experience.

Employees

To keep innovating and developing at the rate necessary to attain our objectives, we hire high-achieving, talented employees and, in return, they rely on us to provide good employer value.

Clients

Our clients rely on our timely supply of the high-quality, accurate data they need.

Community

We supply select data to the public free of charge as a public service, through our Public Data offering.

Suppliers and Partners

We aim to work with organisations that match our values and share our ethical approach to business.

Media

Our research is a trusted resource regularly referenced by media outlets worldwide.

Shareholders

Our management engage with shareholders regularly throughout the year to ensure they are appraised of, and on board with, our strategic growth plans.

Our Company Values:

As a reflection of our growing business, during the year we launched new Company Values. Our approach and success are underpinned by these values:

Be Fast

Things are constantly changing and as a company we know we are in constant competition. We must always be fast to adapt, and fast to deliver.

Be Fearless

Be brave and believe we can do anything. We've proven we can. So innovate, take savvy risks, don't follow the crowd. Be yourself.

Get It Right

We are judged on our ethics, our methodology, and our accuracy – we will do the right thing as scientists, as technologists, and as citizens.

Trust Each Other

We have a mission, a strategy, and a plan for implementation. Let's all work together in trust – challenging, pushing, improving each other to fulfil our ambition.

Our strategy

In the early 2000s, then a fledgling UK-based market research firm, YouGov pioneered the use of the internet to undertake surveys and collect the results.

The YouGov model was founded on our belief that, done properly, internet-based research is more accurate than traditional market research methods, while also being faster, more flexible and richer in data. Our traditional competitors have, mostly, recognised this and also moved to internet-based research.

Since that start, our business model has evolved in keeping with the growth of internet usage, the advancement of big data analytics, and the changing needs of our clients. We are successfully implementing our clearly defined strategy of developing smarter alternatives to traditional market research - based on connected data, new analytical tools and innovative applications - and we have laid the ground work for bringing it all together into a single system for applied research.

In 2014, we adopted an ambitious five-year growth plan ("FYP1") for transitioning YouGov from a market research business to a research data and analytics business. Two key objectives and achievements of the plan were to increase the proportion of revenue from our Data Products and Services divisions, and to see significant growth in adjusted earnings per share. In order to achieve these objectives we have invested in developing not only our suite of products and services, but also the technology and data which underpins our commercial offer (see pages 16 to 31).

Our next five-year growth plan ("FYP2"), which runs to 2023, reflects our ambition to create a universal platform for the ethical and safe sharing of opinions and personal data. The underlying strategy that drives the plan is defined by the mantra: "YouGov. Best panel - Best data - Best tools". Underpinning our strategy are three strategic pillars: Data Integration, Ethical Activation, and Public Value (see pages 10 and 11).

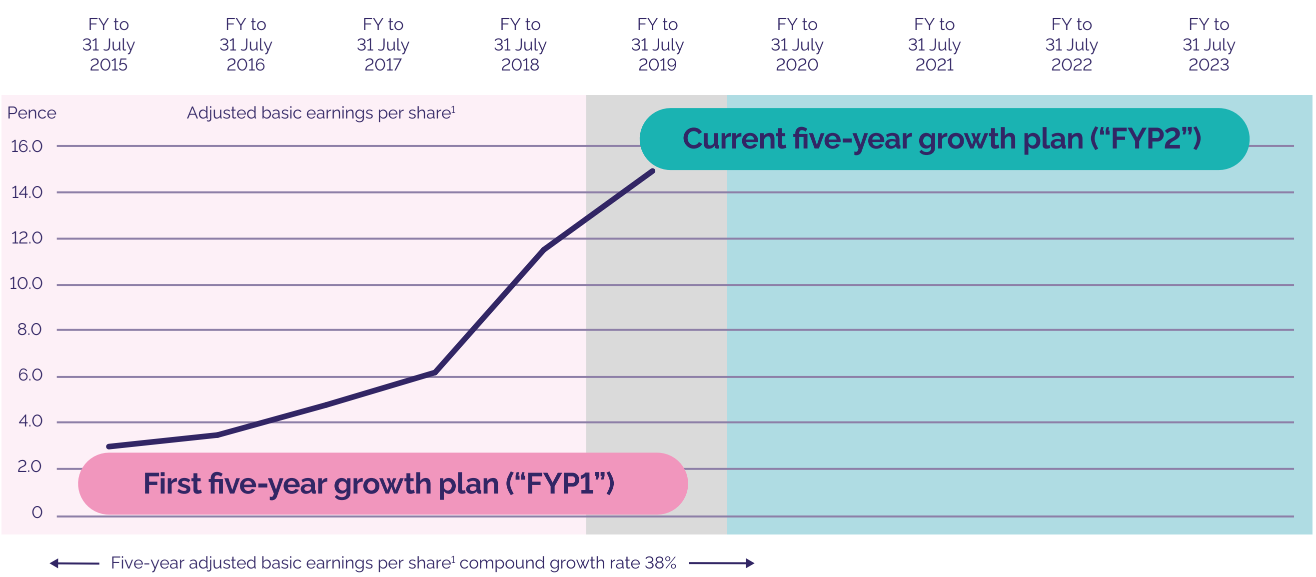
To counteract any short-termist behaviour and avoid a cliff-edge of incentives, this reporting year was an overlap year between the two plans, and this year's results form the baseline for the ambitious targets that define FYP2. The targets for the four-year period to 2023 are:

- Double Group revenue
- Double Group adjusted operating profit margin[1]
- Achieve an adjusted earnings per share[1] compound annual growth rate in excess of 30%

Our ambition is to have the world's largest and most engaged research panel and be the leading supplier of proprietary panel data, used by every public-facing organisation and by hundreds of millions of people as a public daily resource. We want YouGov to be the world's leading provider of high-quality market and opinion data and insights.

> **The YouGov model is more than a poll. It's a hybrid of a traditional opinion survey and an exercise in big data analysis."**
>
> **Bloomberg**

Five-year strategic growth plans



[1] Defined in the explanation of Non-IFRS Measures on page 38.

Our strategy continued

Three Strategic Pillars

1 Data Integration

Strategic focus

Only a panel in which millions of individuals are engaged over a long period of time can produce genuinely connected, high-value, structured data.

FYP1 saw us significantly driving up margins in our Custom Research division by focussing on the more profitable areas of custom research and aligning it with our syndicated data solutions and technology. This engineered approach has transformed our research services. The next stage of this transformation is integration and adaptation to custom needs. By allowing our model to be adapted to the specific needs of individual organisations, we create new connected data propositions that not only provide new revenue opportunities, but also further extend the utility of YouGov data subscriptions particularly for clients whose precise needs are not met through more traditional syndicated data sets.

Integration also means connecting the uses of our data, allowing custom research to be engineered on a framework of our syndicated data, gaining value from it in ways that cannot be matched by traditional tracking designs. In the past few years we have seen strong growth in our custom tracking offer, both in revenue and margin, and we intend to bring our syndicated data and custom offerings into ever closer alignment.

Progress so far

Further investment in technology is creating additional value:

We are investing in our websites, mobile apps, interfaces and dashboards to make it easier for clients and the public to interact with and deploy our data, with a first version of the "YouGov Screen" platform on track to be released by the end of the calendar year.

We continue with the development of Crunch, our proprietary data storage and analytics system, which allows clients to explore data with point-and-click ease and in the future will allow us to bring different kinds of data together to be analysed in 3D (i.e. as time series).

One important addition to the types of data we can connect is tracking data from social media-listening, led by our acquisition of Portent.io (now YouGov Signal).

New ways of reaching the public include our acquisition of Inconvo, the chat-bot system that engages audiences and creates data in message channels.

YouGov Collaborate, our "aided self-service" tool for the creation of research projects, is now being used by clients in the US, UK, Germany, Spain and Italy. Further development of this tool (including integration with YouGov Direct) will expand the range of options for clients, and indeed the range of clients that can access our data and tools.

2 Ethical Activation

Strategic focus

Conventionally, research is used to understand markets and plan campaigns, while activation – using data to create targetable audiences for advertisers and actually deliver marketing to them – is viewed as a separate process. We are now breaking down the barrier between the two with YouGov Direct.

With this new platform, YouGov Direct members can make their opinion and behavioural data available for in-depth, targeted research, which can be done outside of a pure research context and within a marketing and sales context. The data can be used in this way because members have permissioned each specific use with the security of accountability enabled through the YouGov Direct blockchain-encryption process.

The system is not only GDPR-compliant but GDPR-embracing – that is, it enables ethical use of data to create more control and value for members and clients alike. This means, with YouGov Direct, researchers and marketers have the unique opportunity to reach precise target audiences, upgrade their existing research-based advertising tests (understanding business outcomes rather than claimed intention), and create a seamless single audience view, from planning through to campaign execution and measurement. It addresses the single most important challenge to the marketing industry, namely the increasingly intense pressure on using personal data for advertisement targeting.

Progress so far

The first pilot of YouGov Direct in early-2019 proved highly successful as a positive experience for members, and as a demonstration to potential clients of added power for both research and marketing.

A commercial version of the app has since been developed which includes a collaborative dashboard for clients, the start of a self-service facility. June 2019 saw the alpha version launch of the app in the UK, with an upgraded version due to be launched in the US this month. The third geography is planned to be in India, early in 2020.

A commercial head of the product, who previously headed our Data Products division, is in place, based in New York. The YouGov Direct team now consists of nine, across the UK and US, and we expect to grow this team significantly in the coming year.

3 Public Value

Strategic focus

YouGov creates more data specifically for public value than any other research company. We plan to further enhance our public offering in two ways: first, we are adding more trackers and daily polling, not only in politics but across a broad range of social and cultural trends; second, we are creating better tools for the public to be able to access and explore that data.

Our first significant initiative in this area is YouGov Ratings, launched on our US and UK websites in 2018. Ratings is our new popularity and awareness metric for thousands of entities – including celebrities, politicians, sports teams, music acts and brands – available for free on our website. Ratings forms part of our Public Value strategy to build a destination site that offers a wide and deep body of data that people can interact with (i.e. add data, as well as explore and use data) and gives the public the ability to help shape the agenda.

We believe this approach generates important social value, and serves to further increase public engagement in our work. This approach also helps to recruit and maintain panellists, as it creates additional channels and modes for being a panellist, which is critical as we continue to expand the size, complexity and reach of our data sets. Finally, and very importantly, this approach also showcases much of our commercial data to customers at a top-line level, driving traffic to our website and acting as an entry point for digital sales of our commercial offer.

Progress so far

The interactive YouGov Ratings site has increased visibility for YouGov data. Curated Ratings data in Google Search has driven many more site visits. For example, in the US, the launch of Ratings increased the volume of organic search visitors from Google to YouGov tenfold in the space of six months. This is largely due to our publication of search-engine friendly data, which has led to YouGov data increasingly appearing as snippets within Google Search results, in areas as diverse as luxury brands, the popularity of celebrities and political topics.

We have been working on creating a new, more accessible and interactive data archive which will be launched in the new calendar year.

A new daily "open survey" on our YouGov Daily mobile app and website facilitates quick-response polls, which have started to have a positive impact on our media presence in the UK. This will be expanded to our other key markets over the next year.

YouGovRatings

Our new popularity and awareness metric

YouGov Ratings, launched just under a year ago, is our popularity and awareness metric for thousands of topics including celebrities, politicians, sports teams, music acts and brands.

YouGov Ratings measures the popularity and fame of anything and everything, based on millions of responses from nationally representative samples of the British and US public.

Ratings is robust, searchable, and publicly accessible data. It is available for free on the YouGov website and it has been designed as a showcase for the quality and breadth of our data, to put YouGov at the heart of everyday conversations.

Our business model

YouGov offers a systematic approach to research and marketing.

Our value chain is a virtuous circle consisting of a highly engaged online panel, innovative data collection methods, powerful analytics technologies, sophisticated research methodologies, delivery of high-margin syndicated data products and services, expert insights and an authoritative media presence.

Our core offering of opinion data is derived from our highly participative panel who provide us with live, continuous streams of data. We capture these streams of data via our variety of data collection platforms and collect them together in the YouGov Cube, our unique connected data library.

We maximise the value of all this connected data through the application of leading-edge analytics and research methodologies, delivering to our clients the data and insights to enable intelligent decision-making and informed conversations.

Supporting the YouGov system is our strategy, which is defined by the mantra:

"YouGov. Best panel – Best data – Best tools."

Investment

We invest in six key areas which together form a virtuous circle of value creation:

- Panel recruitment and engagement
- Technology
- Talent
- Client and partner relationships
- Data innovations and governance
- Brand reputation

Value created

Our business model provides value to our wide stakeholder base:

- Clients: Research and data that fulfils business needs
- Shareholders: Track record of share price growth
- Panellists: Rewards for participation
- Employees: Attractive employer value proposition
- Community: Data as a public resource
- Suppliers and Partners: Ties to our strong reputation
- Media: Topical data and research

Value creation is supported by our Value Drivers (above) and Company Values (page 8).

Our value drivers

Strategy
- Robust panellist acquisition and retention strategy
- Commercial proposition focussed on syndicated data, data analytics and subscriptions

Panel
- Proprietary global panel of over 8 million members
- Long-term panellist engagement providing highly permissioned longitudinal data

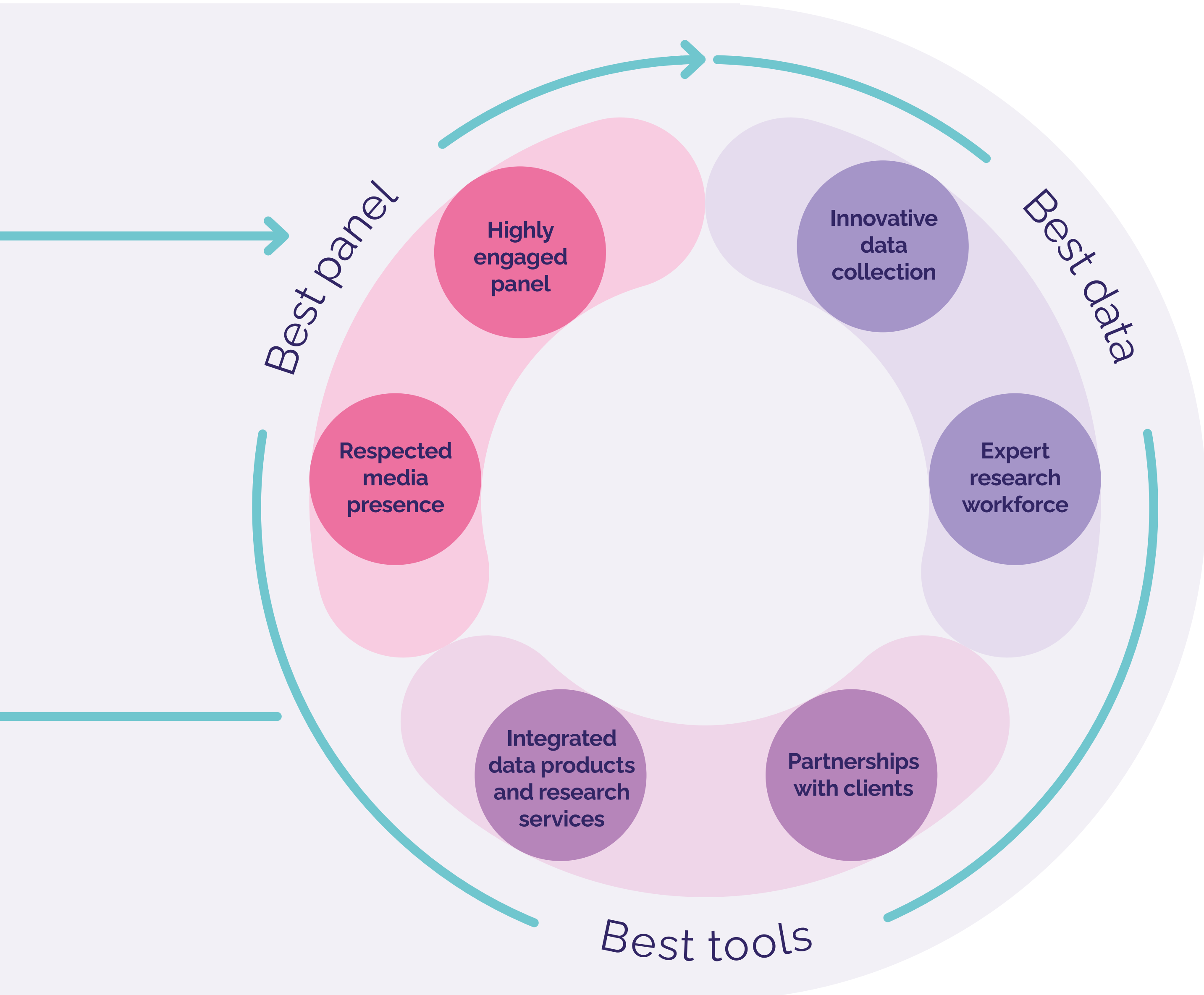
Data
- Proprietary panel providing high-quality single-source data
- Unique data infrastructure providing vast connected longitudinal data

Tools
- Leading-edge tools for analysis and delivery
- Strategy of targeted investments in technology

Reputation
- Recognised as a credible brand attracting customers, partners and panellists
- Credibility driving media engagement, which in turn boosts reputation

Culture
- Founder-led business retaining a culture of innovation
- Culture of accuracy, transparency and an ethical approach

Reach
- Focus on organic geographic growth and integrative bolt-on acquisitions
- Capabilities across over 40 national markets



Our media presence

YouGov data is regularly referenced by the world's press.

2018

Aug 21

BBC

Is it the end of the 9 to 5 working day?

Traditional workplace hours of 9am to 5pm are now only the norm for a minority of workers, research suggests. Just 6% of people in the UK now work such hours, a YouGov survey found. Almost half of people worked flexibly with arrangements such as job sharing or compressed hours, allowing them to juggle other commitments, it found. Polling firm YouGov surveyed over 4,000 adults for the survey, which was commissioned by fast-food chain McDonald's.

Oct 4

Dagens Mesia

Netflix nu mer populärt än SVT Play bland barnfamiljer

Nyligen visade en undersökning från Yougov att Netflix är det populäraste varumärket bland unga i åldrarna 18-34 år.

Oct 18

Metro UK

We can't get through a meal without checking our phones, study reveals

The majority of Britons seemingly can't not make it through dinner at home without checking their phone, new research from YouGov claims. According to the report, 55% of those surveyed said they checked their phone during dinner, while 53% said they look at their phone even when dining out with friends or family. More than half (54%) said they could not go more than two days without their device before it bothered them.

2019

Jan 11

BBC

YouGov survey: British sarcasm 'lost on Americans'

According to one of the UK's most respected polling companies, there's one chasm the English language can't always bridge – the British love of passive-aggressive statements. YouGov based its survey on a popular meme of British phrases and their subtext. The starkest difference was in the phrase "with the greatest respect" – which most Britons took to mean "I think you are an idiot", but nearly half of Americans interpreted as "I am listening to you".

Jan 29

The Star Malaysia

New laws soon to better protect tenants, landlords

In a recent exclusive, The Star reported that in a survey of one in five Malaysians or 21% of 1,204 Malaysians, aged 18 and above, respondents had claimed to have experienced discrimination based on their ethnicity when seeking a place to rent. The findings were based on a survey carried out by YouGov Omnibus.

Mar 12

The Independent

Italian food is the most popular cuisine in the world

An international YouGov study asked more than 25,000 people across 24 countries which of 34 national cuisines they had tried and whether they liked or disliked them. The figures revealed that pizza and pasta were among some of the most popular dishes in the world, with Italian cuisine receiving an average popularity score of 84 per cent across all the countries surveyed.

Khaleej Times

78% people in UAE willing to help after Good Samaritan Law is introduced

A YouGov survey – done earlier in March among 1,011 respondents in the UAE – showed that more than three quarters (78 per cent) of people are willing to help people caught in medical emergencies once the Good Samaritan Law is enforced in the country.

Apr 1

The Guardian

There is no mass public revolt against globalisation

The YouGov-Cambridge Globalism Project – the largest survey of its kind on populism and the public state of globalisation – portrays a broadly moderate critique of the liberal international consensus, rather than mass public revolt against it. Attitudes to immigration are a case in point. The issue is clearly one of prominent concern in many countries, with substantial numbers saying the costs outweigh the benefits for their country, ranging from 31% in the US to 37% in the UK, 40% in Germany and 50% in Italy.

May 2

Livemint

Indians would rather watch content with subtitles than dubbed versions

YouGov India looked at viewers consuming content in foreign and regional languages and concluded that 72% watching such content prefer subtitles while 24% prefer it dubbed. Viewers in South India (82%) are big consumers of subtitled content among all the regions while those in North and East India are twice more likely than the South to prefer dubbed versions.

Jul 5

“ ” YouGov is the most quoted market research source in the UK

“ ” YouGov is the 2nd most quoted market research source in Italy

“ ” YouGov is the 3rd most quoted market research source in Singapore

Apr 18

Le HuffPost

Rares sont les Français à fêter Pâques le lundi

Les Français qui célèbrent Pâques semblent plutôt attachés à la tradition et partent à la chasse aux oeufs le dimanche plutôt que le lundi. Selon un sondage réalisé par l'institut YouGov pour Le HuffPost, 54% des Français fêtent Pâques ce dimanche 21 avril.

Jun 9

The Telegraph

Cocaine use should disqualify you from becoming an MP, majority of the public believe

The YouGov poll of 1,677 people shows 56 per cent of the population believe it is not acceptable for someone who has ever taken cocaine to be a Member of Parliament. The poll shows two-thirds of Conservative voters (67 per cent) believe it is unacceptable for someone who has taken cocaine to be an MP, compared with 48 per cent of Labour voters and 53 per cent of LibDems.

Jul 19

Evening Standard

Michelle Obama and Bill Gates top YouGov list of most admired people in the world

The YouGov poll, which interviewed upwards of 42,000 in 41 different countries, released a worldwide ranking which comprises politicians including the Obamas and the Trumps, entertainers, sports professionals and royalty. Although Angelina Jolie may have topped the list of most admired previously, former First Lady Michelle Obama took the top spot. The list of most admired men resembled previous years, with Microsoft founder Bill Gates retaining his place at the top of the list.

Our products and services

We are working towards integrating the entire YouGov offer into a single system, accessible on one universal platform.

Through the continued development of innovative data solutions, and expansion of our technology infrastructure, we are improving the interoperability and connectedness of all of our products and services. We are working to simplify YouGov, even as we enrich both the data and the tools.

Together, our proprietary decision-making product tools, services and resources provide a system that supports key players in the advertising and marketing eco-system – including brand owners, media agencies, advertising agencies, public relations firms and media owners – to manage their entire marketing workflow.

YouGov's commercialised products and services fall into three divisions, as set out in the following pages:

Data Products – see pages 18 to 23

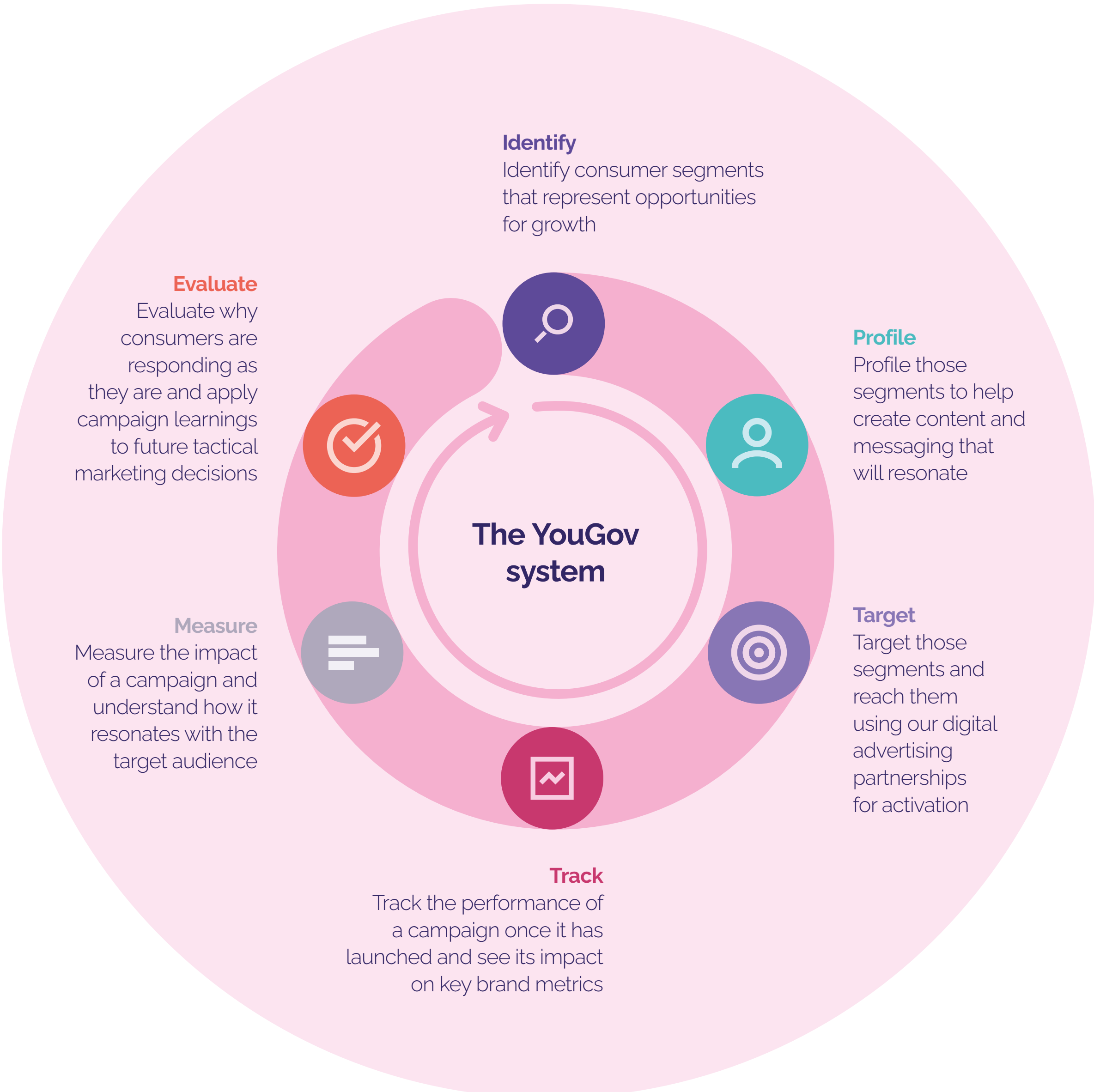
Data Services – see pages 24 and 25

Custom Research – see pages 26 and 27

All of our products and services are underpinned by our unique data and technology infrastructure, as set out on pages 28 to 31.

In keeping with YouGov's strategy and culture, we are always innovating with new data solutions. This year we:

- Began trials of our ground-breaking blockchain platform, YouGov Direct (see page 31)
- Launched YouGov Ratings, designed to boost YouGov's online presence (see page 11)
- Acquired Inconvo, the chat-bot engagement tool for engaging hard-to-reach audiences (see page 29)



CASE STUDY

Leveraging YouGov BrandIndex and YouGov Signal to identify campaign successes

The challenge

Remaining relevant with consumer audiences is a challenge for brands in the retail banking landscape. Bank of America has been a long-standing subscriber of YouGov BrandIndex (described on page 21), taking advantage of the longitudinal brand health tracking the tool provides. YouGov wanted to demonstrate to Bank of America how our new YouGov Signal data product (described on page 23) can expand upon YouGov BrandIndex by diving into a brand's social media sentiment.

Our approach

YouGov BrandIndex measures 1,750 brands in the US across 16 metrics including Brand Awareness, Advertising Awareness, Word of Mouth Exposure, Attention, Purchase Consideration, Purchase Intent, Value, Customer Satisfaction, Corporate Reputation, General Impression, Recommendation, Customer Status, Quality, Buzz and Index.

YouGov Signal complements BrandIndex by aggregating the full range of digital and social data across all social media, search and news platforms monitoring 40+ metrics. When there is a "spike" in social media sentiment, YouGov Signal is able to identify the "why?".

In order to gauge campaign effectiveness for Bank of America, we looked at BrandIndex Buzz and Index scores over the 12 month period to February 2019. Buzz is calculated by subtracting the percent who heard something negative about a brand from the percent who heard something positive. Index is the average of Impression, Quality, Value, Recommend, Reputation and Satisfaction.

While YouGov BrandIndex identifies key moments in time, YouGov Signal identifies the conversation being had during that time. Through YouGov Signal's sentiment and conversation analysis, we are able to capture real-time emotional responses.

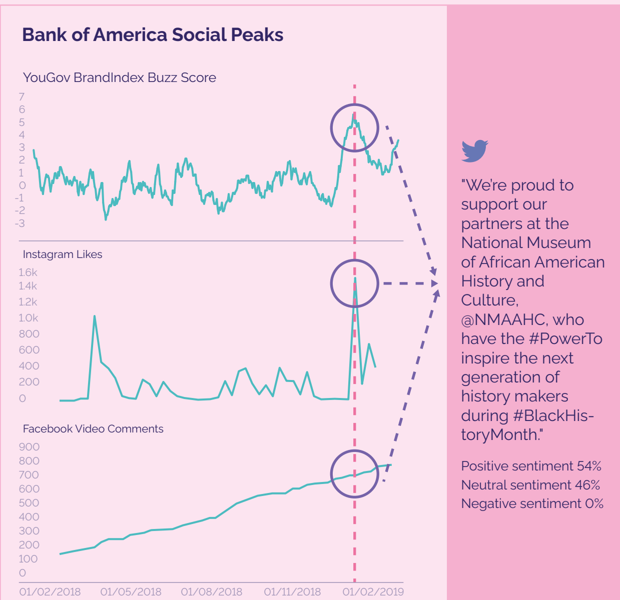
The outcome

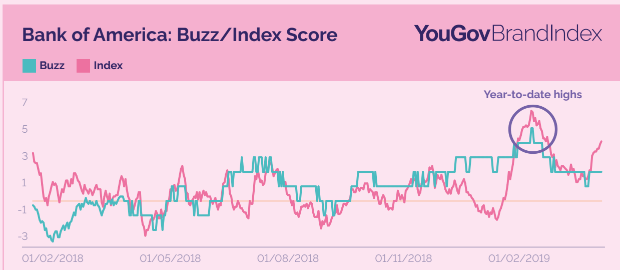
We found that there was a peak in Buzz for Bank of America in mid-February 2019, accompanying a year-to-date high in Index level.

YouGov Signal validated the Index peak seen in BrandIndex, showing comparative social peaks relevant to Black History Month. Increased positive online chatter for Bank of America around race could be attributed to Bank of America's online social media posts related to Black History Month.

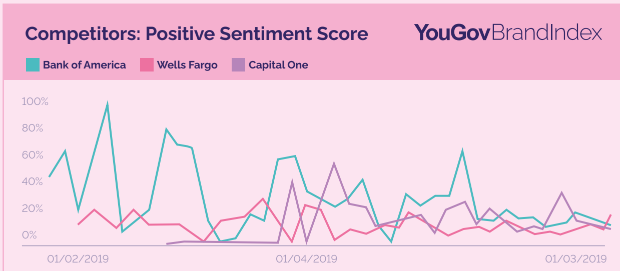
As a result, Bank of America saw sustained positive sentiment and widened its lead over competitors, Wells Fargo and Capital One, as demonstrated by YouGov BrandIndex.

By delving into the data delivered by YouGov BrandIndex and YouGov Signal, we were able to successfully demonstrate for Bank of America how they could effectively measure social campaigns and capture real time responses from audiences.





Buzz = Sum of % heard something positive minus % heard something negative
Index = Average of Impression, Quality, Value, Recommend, Reputation and Satisfaction



Our products and services continued

Data Products

YouGov's Data Products division is comprised of our syndicated data products, which are available to clients on a subscription basis.

YouGov Plan&Track

Our solution to help marketers plan and execute their campaign strategy and track its success

Available in **40** markets

Interoperability between YouGov BrandIndex and YouGov Profiles allowed us to develop the YouGov Plan & Track solution, which combines the benefits of both products. Plan & Track offers audience identification and analysis, media targeting, campaign effectiveness and brand health monitoring, all under the one proposition.

Using Plan & Track, our clients can understand and target key consumer segments, create content that will resonate with that audience, effectively target that audience in the media, track the effectiveness of advertising, marketing and public relations strategies and campaigns, and measure how advertising and marketing investments are impacting consumer perception of their brand. The breath of the solution facilitates collaboration among brands, media owners and agencies to help bring transparency and clarity to what can be a challenging marketing and media landscape.

With YouGov Profiles, Plan & Track taps into the YouGov Cube – our data vault of over 300,000 variables on consumers including brand usage and perception, interests, media consumption and social media activity – to provide a detailed portrait of consumer segments.

With YouGov BrandIndex, Plan & Track subscribers get access to continuous monitoring of brand fundamentals including brand awareness, advertising awareness, word of mouth, brand health, consideration, purchase intent, and customer satisfaction. Whether planning a campaign, mitigating an issue, or developing new products, the data available through under Plan & Track provides a leading edge.

Plan

YouGov Profiles

Our ground breaking connected data set for audience profiling and segmentation, YouGov Profiles, enables clients to identify and analyse their target audiences across multi-channel data sets from a single source.

Track

YouGov BrandIndex

Our flagship brand intelligence service, YouGov BrandIndex, informs clients what the world thinks of their brands and competitors at any given moment.

Identify	Describe	Target	Measure	Evaluate
Identify who the right audience is	Describe them with depth and breadth	Understand when and where to meet them	Track key measures over time	Evaluate campaign success

Single Audience View

With YouGov's connected data set, a single audience view can be used throughout the marketing workflow

Our products and services continued

YouGov Profiles

Our media planning and audience segmentation tool

We chose to work with YouGov as they were able to provide both quality and quantity when it came to a high-net-worth sample. The added bonus of being able to access our sample via YouGov Profiles was really useful for expanding on the minutiae of audience behaviour to deliver deeper insights."

Ubiquitous

YouGov Profiles is our ground breaking tool for audience profiling, segmentation and media planning. The product allows users to profile their target audience across multi-channel datasets from a single source, with greater granularity and accuracy than ever before.

Profiles offers the largest, most detailed and real-time consumer database updated weekly. Leveraging the YouGov Cube, Profiles connects data on demographics and lifestyle, brand, sector, and media, digital and social data all in one place, combining that with attitudes, interests, views and likes. The tool holds over 300,000 separate data variables collected from YouGov panellists in a given country.

Profiles improves the ability of marketers to understand the people and audiences that matter to them, while enabling media owners to identify potential advertisers and make more informed content and scheduling decisions so as to deliver the target audience that advertisers require. Additionally, Profiles can support programmatic advertising processes and this use is proving increasingly popular with digital media agency clients.

Profiles is offered to the market as a subscription service with clients accessing the data through a dedicated online portal. The Profiles portal, hosted on Crunch, gives users access to a wide range of detailed and connected data and provides methods with which to interrogate and interpret the data.

We will soon be introducing YouGov Global Variables to provide subscribers with some of the most popular variables, collected from a distinct subset of panellists, packaged in a globally consistent format. With Global Variables, clients will have access to global samples of popular variables and be able to run analysis such as segmentations with global coverage.

Identify	Describe	Target
Identify who the right audience is	Describe them with depth and breadth	Understand when and where to meet them

Over **300,000** separate data variables

Available in **19** markets

YouGov DataApplications

Our add-on solutions for data products subscribers

The linkage of BrandIndex and Profiles has enabled us to offer clients new ways to get more value out of their data product subscriptions. We have packaged a number of the use cases that go "beyond the login" of our data products to create the YouGov Data Applications series. Some Data Applications are available as self-serve modules that can be accessed inclusive of the subscription price, while others are sold in addition to subscriptions. With YouGov Data Applications, we are showcasing the strategic application of our syndicated data products and connected data solutions for solving our clients' most important business challenges. Our current Data Applications:

- **YouGov Audience Data** Reach target audience by creating seed audiences from which to activate the programmatic buy with industry Data Management Platforms and Data Houses.
- **YouGov Dynamic Segmentation** Segment audiences and plan campaigns effectively with a constantly refreshed portrait of target demographics.
- **YouGov Re-Contact** Self-service deep dives for data product subscribers (described on page 25).

YouGovBrandIndex

Our daily brand perception tracker

YouGov's flagship brand intelligence service, YouGov BrandIndex, continuously measures public perception of thousands of brands across dozens of sectors. It enables users to track the fundamentals of a brand's health every single day; rapidly check campaign effectiveness; and react quickly to brand events or crises. Tracking brands for over a decade, it gives users both a historical and instant view of a brand and campaign performance against competitors.

BrandIndex data is updated daily (or bi-weekly or weekly in some developing markets) and includes up to 12 years of historical data which is all available 24/7 to our clients through our user-friendly BrandIndex portal. YouGov's BrandIndex serves major accounts among both advertising and media planning agencies on the one hand, and brand owners and advertisers on the other. It is offered to the market as a subscription service with clients accessing the data through a dedicated online portal.

YouGov BrandIndex allows users to continuously monitor campaign performance across 16 different brand health, media, and purchase funnel metrics, in single or multiple markets, simultaneously. It is available in 40 markets and every day we survey over 20,000 consumers, conducting more than 7 million BrandIndex interviews every year against YouGov's proprietary panel.

Measure

Track key measures over time

Evaluate

Evaluate campaign success

YouGovBrandIndex
TOP BRAND HEALTH
2019
Best Brand

YouGov BrandIndex BestBrand

YouGov releases six BrandIndex BestBrand Rankings each year. As well as the two flagship rankings – Brand Buzz Rankings (in January) and Brand Health Rankings (in August) – throughout the rest of the year we also issue rankings covering brand advocacy and best employers as well as the preferred brands among women and Gen Z. For every set of rankings, the top 10 overall brands receive a personalised notification and BestBrand badge to use in their advertising.

YouGov's Plan & Track solution is the first subscription that our Consumer & Market Insights team renewed last year. We use the data every day across our business to make key decisions and stay one step ahead of the competition."

T-Mobile USA

Over **15,500** brands indexed

Available across **40** markets

Over **20,000** consumers surveyed daily

YouGovSportIndex

Our new data product for the sports sector

In the prior reporting year, we expanded our Sports sector expertise with the acquisition of SMG Insight, the global sports research agency. The acquisition has provided YouGov with the opportunity to extend our syndicated data products for the sports industry by applying sector expertise to YouGov's existing data products infrastructure. Now re-branded as YouGov Sport, the offering includes sports-sector custom research, as well as YouGov SportsIndex, is the ultimate "always on" measure of quality, performance and market potential for the most relevant sports leagues and events around the world.

- 16 BrandIndex-style metrics to track public perception
- Over 200 sports leagues and events tracked
- Fan profiling for more than 2,000 teams across 30 sports
- Available in 38 markets

Our products and services continued

CASE STUDY

Using YouGov Plan & Track to evaluate Peloton's challenger brand success

The challenge

The at-home studio cycling industry is now a multi-billion dollar industry, with a handful of brands leading the sector.

One of those brands is Peloton, which offers an indoor stationary bicycle that brings a studio cycling experience into the user's home. The user can choose a class out of hundreds of options including class type, musical genre, length and instructor.

In 2019, Peloton approached YouGov to help evaluate the effectiveness of their "His & Her"' 2018 US holiday advertising campaign.

Our approach

By utilising our YouGov Plan & Track proposition, Peloton was able to evaluate ad awareness, brand buzz and purchase consideration in comparison to its key competitors, SoulCycle and Flywheel.

By looking at three variables in particular – demographics, tendency towards owning a gym membership, and statements that consumers agree with in regards to health and wellbeing – YouGov Plan & Track identified and profiled the consumers who were considering a purchase of Peloton, SoulCycle or Flywheel.

A target audience for Peloton was built from the demographic of consumers who were considering a purchase of, or subscription to, Peloton or the two competitors. This was determined by evaluating which television networks were watched by the consumer, the apps being used by the consumer and the statements that the consumers agreed with. The statements that were agreed with had the requirement of including both: "Advertising helps me choose what I buy" and "While watching TV, I search the internet for products I see advertised."

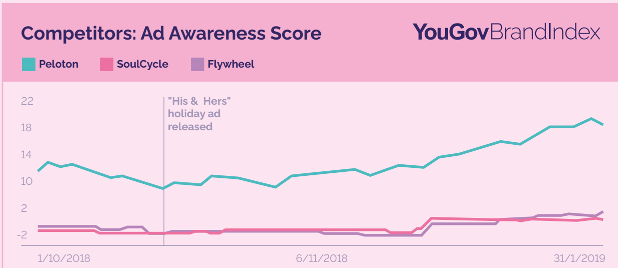
The Peloton target audience was then tracked and scored over the campaign and post-campaign periods to to evaluate key campaign objectives, including ad awareness, brand buzz and purchase consideration for each of the three brands.

The outcome

The YouGov Plan & Track evaluation was able to highlight to Peloton the effectiveness of their campaign by illustrating the key metrics in comparison to their competitors.

The data showed that Peloton's "His & Her" campaign scored higher than competitor campaigns and drove positive brand perception throughout the holiday purchasing season, engaging consumers during a peak competitive marketing period.

By evaluating sentiments and "agree with" statements of the target audience, Peloton was able to understand what types of advertising features and sentiments may score highly with their target audience, giving them an edge for future campaign planning and tracking.



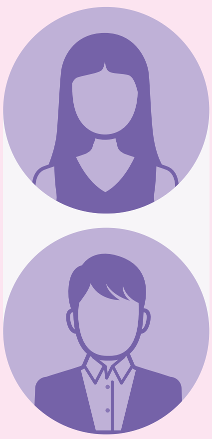
"Considering Peloton" consumer profile

Demographics

Age 45-54	**Political view** Democrat
Race White	**Family income** $150,000–$199,999

Gym membership

- I want to get more toned
- I have access to machines/amenities I don't at home
- I want to stay/get healthy



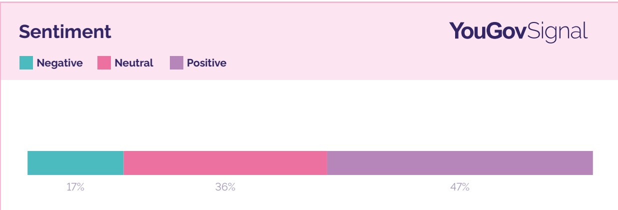
Agree with

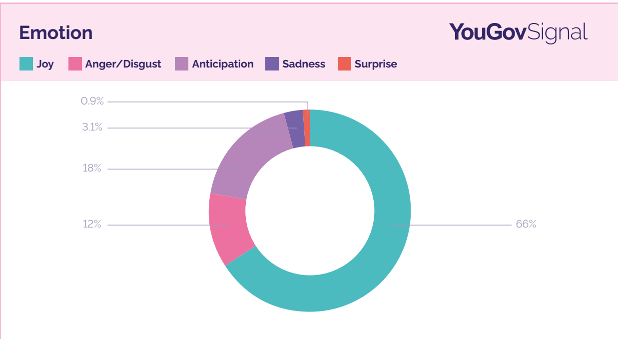
- I excercise at least once a week
- Working out to stay fit is important to me
- It is important for me to be physically active in my spare time
- I am willing to pay more for luxury brands
- I tend to choose premium products or services

YouGovSignal

Our analytics tool for digital and social insights

Example YouGov Signal data:





40+ digital and social data feeds

Dynamic metrics applied across Facebook, Twitter, Instagram, YouTube, RED, IMDB, Product Reviews, Search, News and many more

39 countries

We collect data across 39 different geographies

6,500+ tracked entities

Brands, products, people, TV shows, movies, topics – and adding more every day at no additional cost

During the year, YouGov fully acquired the entertainment industry analytics company Portent.io, which has developed technology for linking survey data with digital touchpoints to provide a fully rounded view of what consumers think about films and television programmes. Now re-branded as YouGov Signal, its technology has been extended beyond entertainment to further sectors.

YouGov Signal is an analytics tool for tracking the digital expression of opinions. The tool's breadth spans a variety of sectors, providing online data on thousands of brands, products, sports teams, games, actors, films, television shows and more.

Simply tracking digital and social data sources is not enough to discover meaningful insights into the opinions expressed by people online. YouGov Signal aggregates digital and social data, applying complex machine learning, text analysis, and competitive benchmarking, to make sense of and contextualise online sentiment and conversation, providing clients with quantitative metrics.

YouGov Signal is able to identify the key emotions, drivers and responses used for a brand, sector or custom group of entities. Using custom topic analysis and keyword Natural Language Processing ("NLP"), topics and conversational sentiment are extracted from each online post, comment, retweet, news post or mention. Our supervised NLP is trained using labelled data by real people and a minimum of 5,000 manual tags are made per adjective, emotion or keyword.

YouGov Signal clients are able to deep dive into a particular topic or category to see related conversations and posts. The tool also allows users to compare sentiment and topics used throughout an entire sector, making benchmarking easy. Data can be tracked and sorted by business category, keywords, or sector, compared across pre-populated sector lists and sub-categories, and tracked by key marketing beats.

Unlike other social intelligence tools, YouGov Signal is able to leverage YouGov's full data products infrastructure data to enrich insights – an example being the Bank of America case study on page 17.

YouGov Signal is one of the most useful tools to understand and portray the performance of TV programs pre and post airing throughout key territories. The platform helps me on a daily basis, and it is an immense pleasure to work with a very attentive, responsive and transparent team."

CBS Studios International

Our products and services continued

Data Services

YouGov's Data Services division provides clients with fast-turnaround services.

YouGovOmnibus

Our fast-turnaround service delivering next-day answers

The YouGov Omnibus survey really helped us to understand and quantify how effective our campaign was. To get a live read on how our target audience was reacting and being able to measure how their perceptions of the brand were changing as a result was not only very satisfying but was also crucial for case studies and paper writing."

mcgarrybowen

YouGov's very first service, YouGov Omnibus, is the market-leading online omnibus service in the UK and a high performer in our other territories.

YouGov Omnibus is the perfect vehicle to find out people's opinions, attitudes and behaviours – quickly and cost-effectively. Our Omnibus surveys are run daily in most territories, providing nationally representative responses to clients within a short timeframe (most countries utilise a 48-hour turnaround, with 24-hour turnaround available in the UK and US). The service can provide clients with data from over 50 countries and client demand for multi-country Omnibus surveys continues to increase. In the last year, we expanded YouGov Omnibus into Canada.

The size and diversity of the YouGov panel has also enabled us to extend our Omnibus services to include a number of selected target samples. Omnibus segmental services include International, Children and Parents, B2B, Independent Financial Advisors, Cities and LGBT. We also run regular Omnibus surveys covering influential audiences in the UK, including C-Suite Executive Directors and Members of Parliament. Additionally, we have an Omnibus service that can reach 200 key opinion formers working in and around the EU institutions through our Brussels EU Elite Omnibus.

In 2019, we rebranded YouGov Omnibus to YouGov RealTime in the UK and US.

Servicing **40** markets

Over **5 million** Omnibus surveys every year

YouGovRe-Contact

Our deep dive service for data product subscribers

Our YouGov Re-Contact service works in conjunction with our subscription data products. The service provides subscribers with the opportunity undertake one or multiple fast-turnaround Omnibus surveys to augment their syndicated data. Through Re-Contact surveys, clients can obtain additional data tailored to their needs from segments of the panel with specific profile characteristics, selected using Profiles. Now, through Collaborate, our self-service tool for survey design, syndicated data product subscribers are able to self-service Re-Contact studies. Additionally, the Re-Contact surveys designed in Collaborate are sent to the Omnibus team for pre-launch quality control and approval to field, in order to ensure submissions are line with research good practice. A linkage to the Cube ensures that the questions prepared through Collaborate tie back to our data library and users benefit from the complete YouGov system.

Our products and services continued

Custom Research

YouGov's Custom Research division offers quantitative and qualitative research services delivered by sector specialists.

YouGovCustomResearch

Our quantitative and qualitative custom research service

YouGov's Custom Research business conducts a wide range of research, tailored by our specialist teams to meet each client's specific requirements.

The offer includes reputation studies, syndicated studies covering sector or product trends, and a full research programme providing a range of research, often on annual contracts, including tracking studies, qualitative research and customer profiling.

Using their in-depth sector knowledge, our custom research specialists employ both quantitative and qualitative methods to identify and analyse markets, clarify opportunities and challenges and generate data that provides clients with actionable information. Our specialists have vast experience in the key areas of market research including UX, audience understanding, testing concepts, platforms, eco-systems, new product design, paid for environments, effectiveness of communications, and brand partnerships.

Custom Research projects vary significantly in scope, scale and complexity and can range from large-scale national and multinational tracking studies to one-off surveys designed to address and explore specific commercial, social or political issues for the client.

Over the last few years, our Custom Research services have been strategically re-positioned to better align with our syndicated data products and services, with a greater focus on multi-year contracts and the delivery of projects through our data analytics tool, Crunch. The YouGov model allows us to minimise the proactive data collection required for each new custom project while at the same time provide our clients with more connected and tailored data than ever before. With every research project we undertake drawing on – as well as building on – the data that we hold in our data library, the Cube, we are redefining the very nature of custom research.

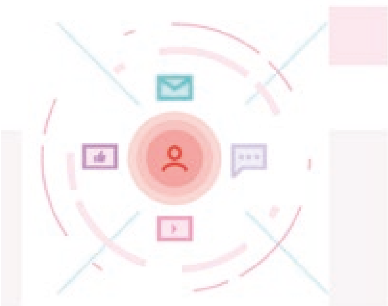
Our sector specialisms include:

- Consumer
- Corporate Reputation & Business
- Financial Services
- Digital Media & Technology
- Financial Services
- Sports
- Political & Public Sector

YouGov's custom research trackers offer dynamic and integrated performance monitoring

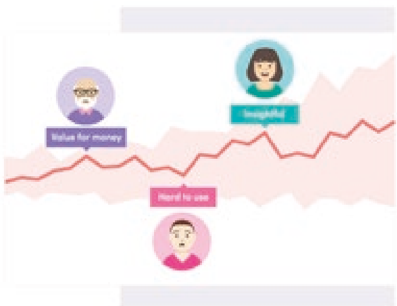
Whether a client is looking to track their brand perception, campaign effectiveness or customer satisfaction vs competitors, our custom research experts can design a comprehensive tracking study that will deliver the data they need to stay one step ahead.

Campaign Effectiveness Tracking



Brand Health and Reputation Tracking

Customer Satisfaction Tracking



Our products and services continued

Our data

As the pioneer of online market research, innovation is core to YouGov's culture and we are constantly looking for ways to improve our data collection and analysis capabilities.

YouGovCube

Our connected data library

Our vast, continuous, single-source data collection, derived from the YouGov panel of over 8 million people worldwide is stored in the YouGov Cube. We developed the Cube, our structured and codified multi-dimensional data library, in order to store, connect and easily access these hugely rich datasets. Our proprietary panel provides us with live streams of data 24/7 from a variety of data collection platforms and devices. The Cube encompasses over a decade of data and holds over 300,000 variables on consumers – including demographics and lifestyle, brand, sector, and media, digital and social data – which are constantly being updated. The Cube's unique structure allows us to undertake fast, large-scale analysis of that data.

INCONVO

Bursting with conversation

During the year, YouGov acquired InConversation Media that has developed the online engagement platform, Inconvo. Combining chatbot technology with editorial flare, Inconvo's platform engages users to share their views about the things they are most passionate about – from sport and music, to television and film. Running on Facebook Messenger – and soon its own proprietary platform – Inconvo's pioneering approach to content creation and audience engagement is growing YouGov's globally engaged audiences. During the last 12 months, more than 2 million people have interacted with Inconvo and 80% of those were under 35 years old – a demographic group typically regarded as difficult to reach by the research industry.

YouGovMRP

Our pioneering application of advanced statistical methodology to market research

MRP (Multilevel Regression and Post-stratification) is a statistical method for combining survey and census data. Traditional survey methodologies provide a snapshot of national opinion, while MRP can provide detailed subnational estimates of rapidly changing attitudes. YouGov demonstrated to great success the value of MRP methods in recent national elections. For example, in the 2017 UK General Election our MRP model predicted a hung parliament when nearly everyone else – campaigners, commentators, markets, bookies, academics and other pollsters – were confident of an overwhelming Conservative victory. In the 2018 US midterm elections, our MRP model average district-level error for 435 Congressional races was only four percent, which was substantially better than the average error for individual polls with much larger sample sizes.

MRP is ideally suited for YouGov's large-scale, panel-based research. We collect detailed information about the attitudes and behaviour of our panellists over time. MRP is based on the idea that usually similar individuals in different places and times will have similar attitudes and behaviour. The method uses modern machine learning techniques to fit complex models that can detect local differences and trends in attitude and behaviour. It does not assume that attitudes are constant, but adapts appropriately to the volume of data that are available.

YouGov has pioneered the application and extension of MRP methods around the world. We have collaborated with academic researchers and supported the development of the open source Stan software used for computation of MRP models. We are pursuing novel applications in market research to replace traditional tracking and segmentation methods. Just as we can use MRP to estimate how a constituency or congressional district will vote, we can predict how "microsegments" will respond to advertising campaigns.

Our products and services continued

Our tools

All of YouGov's products and services are underpinned by our unique research design and delivery tools, the principal elements of which are YouGov Crunch, YouGov Collaborate and our newest innovation, YouGov Direct.

YouGovCollaborate

Our new self-service tool for survey design

With Collaborate, we have automated the process of survey design, making the turnaround from the client's initial request to the delivery of results even faster and more user-friendly. Collaborate users can design their own surveys without any assistance, or get support at any point in the process from our researchers using the "collaboration" feature. Our expert researchers provide support directly through the tool, including a pre-launch review and approval process to ensure users obtain the most accurate and actionable results. Linkage to the Cube ensures that the questions prepared through Collaborate tie back to our data library and users benefit from the complete YouGov system. Subscribers to our syndicated data products can now utilise a self-service feature for Re-Contact studies via the Collaborate tool.

YouGovCrunch

Our data analytics and visualisation tool

Crunch is our unique and user-friendly data delivery and analytics platform. The intuitive tool provides users with a quick and easy way to prepare, analyse and deliver data. With the highly visual interface, users can quickly view top-line results, or dig deeper using drag-and-drop functionality to create tables, charts, filters and dashboards. Crunch enables users to explore and interact with their survey results in real-time as it is collected, allowing them to start piecing the story together or collating insights straight away. Crunch can also act as a library for user's data which can be easily shared across their organisation. Crunch makes data processing faster, more accurate and gives users control over data analysis.

YouGovDirect

Our blockchain-based platform for panellist permissioning and effective ad targeting

YouGov Direct is a full-opted in, transparent and fraud-free audience platform. With granular and accurate profiling data, YouGov Direct enables precise consumer targeting and turns advertising into a two-way dialogue. The platform is designed for three distinct audiences: consumers, advertisers and publishers.

Typically, consumers have little control or visibility as to how their online data is used by the advertising sector. Additionally, ineffective targeting of digital advertisements frustrates consumers and has a negative impact on brands and publishers. With YouGov Direct, consumers opt-in to the platform, provide their data, and provide their consent for that data to be used for ad targeting. In return, consumers receive relevant messages from advertisers and are rewarded each time their data is used. The system is transparent, with all consumer interactions logged using blockchain technology. The system is underpinned by blockchain to ensure an audit trail of verifiable transactions between the consumers and advertisers. This transparent and verifiable record of transactions supports compliance with data protection legislation, including the EU GDPR.

While we build scale in the user base, the platform is already being used by advertisers to make use of:

- Ad Testing: allowing brands to target their audience, gain insight and drive traffic to a desired digital property – unlike other ad tests, the results are actual business outcomes;
- CRM Enrichment: consumers are empowered to sell their data directly to brands, allowing brands to import data into their CRM systems to better serve their customers; and
- YouGov Now: an exceptionally quick turnaround tool that delivers key data back to clients within the hour.

Once at scale, YouGov Direct will deliver new types of data into the advertising ecosystem. It will provide an ethical and transparent solution from consent to ad delivery that empowers publishers, media owners, right holders, brands and consumers.

Case Study: YouGov Direct Ad Test

A major entertainment client used the platform to reach an audience of 6,000 parents with children under 16, on 27 February 2019. YouGov Direct delivered creative video to the audience, to test the ad and drive business outcomes. The results were:

- 99% Engagement rate – of those who were served the ad, almost all watched it
- 19% CTR (Click Though Rate) – one in five of those who were served the ad, clicked on a link to find out more
- 6% Sales conversion rate – of those who clicked through to find out more, 6% of consumers went on to make a purchase
- Insight Delivered – The above measures allowed us to understand how effective the ad was and the impact it had. Additionally, the platform facilitated tailored questions to the audience to understand their attitudes, opinions and behaviour.

Chief Executive Officer's review

for the year ended 31 July 2019

We have had another strong year, growing our revenue by 17%, our adjusted operating profit[1] by 45%, our adjusted operating margin[1] by 2 percentage points, and exceeding our ambitious five-year targets. Statutory operating profit increased by 69%.

There were three main drivers to this strong performance: continued emphasis on scalable data products and services; alignment of custom research with our key advantages of panel, methodology and technology; and the success of our acquisitions.

Our Data Products and Data Services divisions have continued to grow in number of clients, size of contracts and geographic spread; our Custom Research division has also grown significantly with greater emphasis on scalable work such as multi-wave global trackers. The two acquisitions we made in the prior year (the Australian research agency, Galaxy Research, and the sports marketing research agency, SMG Insights, now YouGov Sports) have integrated well and added many new clients.

The YouGov offer, based on the YouGov Cube (our connected data library) and Crunch (our data analytics and visualisation tool), is well aligned with trends in the market towards more sophisticated data and tools. Further, the increasing emphasis not only on the quality of connected data but also on the ethics of personal data has benefitted the YouGov model of a large, permissioned panel, with relationships based on accountability, and a transparent, efficient infrastructure.

Achievement of five-year plan targets

In 2014, we unveiled our first five-year growth plan ("FYP1") for improving profitability. The five-year target (essentially, trebling profit) forced us to make hard decisions about organisational strategy and structure and drove us to innovate boldly. The strategy was to focus on growing our Data Products and Data Services divisions, which have operational leverage, even though it meant withdrawing from custom research projects that, while profitable, did not benefit from the strengths of our unique connected-data system. Our investment in technology and products during the last five years has created a platform for scalable profit generation and has enabled our business to consistently deliver results ahead of the market[2]. It is from this position of strength that we have begun to execute our new growth strategy.

When we laid out our FYP1 targets, they were considered stretching and ambitious. Today, we are pleased to announce that we have exceeded those targets.

We remain no less ambitious in our aspirations for the future. In the Half-Year Announcement (April 2019) we set out a new growth plan with even more stretching goals to ensure we continue at pace to build on the strong business we have worked hard to create.

"Five years ago we set ourselves ambitious growth targets which reflected our belief in the business' ability to expand its international reach, develop best-in-class products and dynamically respond to changing client needs. I am delighted that together we have exceeded those targets."

New growth plan and long-term targets

Our new growth plan ("FYP2"), to be delivered within the next four years to 2023, deploys the same idea that very difficult targets force us to focus boldly, and to invest in innovation.

The underlying strategy that drives our FYP2 plan is defined by the mantra: "YouGov. Best panel – Best data – Best tools". Our plan builds on the market-leading position we have built through our GDPR[3]-compliant proprietary panel; the richness, relevance and connectedness of the data in the YouGov Cube; the power of our analytics platform, YouGov Crunch; the accuracy of our ground breaking methodologies; and the ethical relationship we have with our panellists, who trust us with deep and extensive data about them because of our transparency and our commitment to mutual benefit.

Our ambition is to create a universal platform for the ethical and safe sharing of opinions and personal data, unleashing its power for the benefit of both panellists and clients. This ambition is supported by the three strategic pillars of FYP2: Data Integration, Ethical Activation, and Public Value (described on pages 10 to 11).

Current trading and outlook

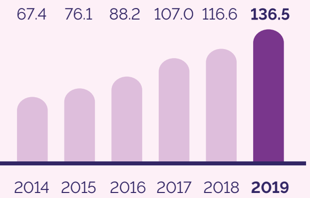
Our pipeline of sales opportunities for our syndicated data products is strong and we continue to see opportunities for growth within those forms of custom research that are aligned with our core connected-data offering. We will keep investing in our technology platforms to support growth and expansion in line with our strategic objectives.

Trading since the year-end has continued positively. While Brexit continues to create uncertainty in the economic and political environment, especially for UK and European businesses, the international spread of our revenues, with a significant and growing US weighting, cushions us from volatility. In the context of both the macro-environment and our own plans to accelerate our investment in technology and geographic expansion, we remain confident in our growth prospects for the year and beyond.

Stephan Shakespeare
Chief Executive Officer
8 October 2019

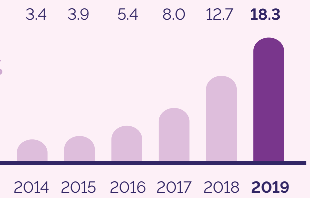
Revenue £m

£136.5m
5-Year CAGR 15%



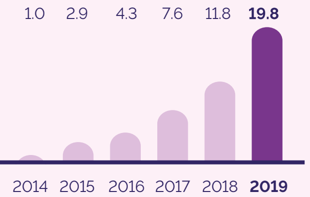
Adjusted operating profit[1] £m

£18.3m
5-Year CAGR 40%



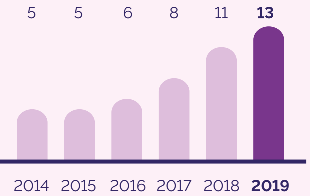
Statutory operating profit £m

£19.8m
5-Year CAGR 82%



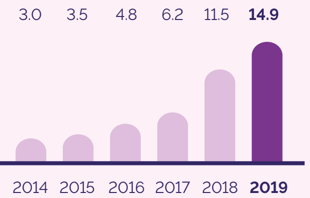
Adjusted operating profit[1] margin %

13%
5-Year CAGR 21%



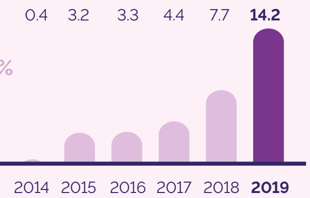
Adjusted basic earnings per share[1] pence

14.9p
5-Year CAGR 38%



Statutory basic earnings per share £m

£14.2m
5-Year CAGR 104%



[1] Defined in the explanation of Non-IFRS measures on page 38.

[2] According to the ESOMAR Global Market Research Report published in September 2019, global research market turnover grew by 2.1% in 2018 (or by -0.3% after inflationary effects are factored in).

[3] The European Union General Data Protection Regulation 2016/679 ("GDPR").

Chief Financial Officer's report

for the year ended 31 July 2019

The Group achieved continued growth in the 12 months to 31 July 2019 which marks the end of the first five-year growth plan which commenced in 2014.

Total Group revenue in the period rose to £136.5m, compared to £116.6m in the 12 months to 31 July 2018. Growth was 10% on an underlying[1] basis since the prior period (but 17% in reported terms due to the depreciation of £ Sterling against US Dollar and additional revenue generated by acquisitions in the period and prior period).

Included in the performance for the 12 months to 31 July 2019 are the consolidated results of the recent acquisitions:

- Galaxy Research (December 2017)
- SMG Insight (May 2018)
- InConversation Media (August 2018)
- Crunch.io (September 2018)
- Portent.io (November 2018)

The acquisitions support the strategic aims of access to new technologies, geographic expansion and new panels. The acquisitions added £9.1m of revenue and reduced operating profit by £0.3m in the year to 31 July 2019.

Key performance indicators

The Board monitors business performance via six financial key performance indicators – revenue, adjusted operating profit, adjusted operating profit margin, adjusted earnings per share, revenue per head and staff costs as a percentage of revenue – the results of which are shown on the inside cover.

Adjusted measures

Until now, our presentation of adjusted measures has excluded amortisation of intangible assets charged to operating expenses and separately reported items (see page 38 for the full definitions we currently use). As announced at the Half-Year, in these Full-Year results and in the future, we are using a revised definition of adjusted measures that includes amortisation of intangible assets charged to operating expenses. Our reported adjusted EBITDA is unaffected by this presentational change to the adjusted measures.

Adjusted operating margins and organic growth

In line with our stated strategy, a higher proportion of sales coming from higher margin products and services increased gross margins by 1% point. Adjusted operating margins[2] increased from 11% to 13%.

Group operating costs (excluding separately reported items) of £94.0m (2018: £82.4m) increased by 14% in reported terms, and 12% in constant currency terms. Group adjusted operating profit[2] (before separately reported items) increased to £18.3m (45% growth in the period) with strong continued growth in Data Products, coupled with margin improvement in the Custom Research division. The statutory operating profit (which is after crediting other separately reported items amounting to £1.5m) increased to £19.8m (2018: £11.8m).

"In this first year of our next five-year plan we have made a great start, delivering strong growth in earnings."

Alex McIntosh
Chief Financial Officer

Performance by division

YouGov's lines of business fall into three divisions: Data Products, Data Services and Custom Research.

Data Products

Our syndicated data products include YouGov BrandIndex, YouGov Profiles and YouGov SportsIndex. YouGov Plan & Track (the combined BrandIndex and Profiles proposition) is available in 21 countries (2018: 14). BrandIndex alone is available in 40 countries, while SportsIndex is available in 38 countries.

The performance of our Data Products division has contributed significantly to our Group revenue and adjusted operating profit[2]. Revenue from Data Products increased by 36% (25% growth in underlying business[1]) in the period. The adjusted operating profit[2] from Data Products increased by 50% to £14.1m and the operating margin increased by 3% to 34%. The improving margin partly reflects the growing contribution from Profiles as well as a reduction in the use of third party data collection.

Geographically, the US remains the largest Data Products market and grew by 35% in in the period, (20% from the underlying business[1]). The UK, France and Asia Pacific also contributed strong revenue growth of 35%, 30% and 31% respectively.

Data Services

Our Data Services division consists of our fast-turnaround research services, including our market-leading YouGov Omnibus.

In the year, revenue from Data Services increased by 28% (11% in underlying terms after adjusting for acquisitions, foreign exchange and reallocated revenue from the Custom Research division) to £37.2m. The focus on the US market and further territorial expansion has helped the division expand the revenue base beyond the core UK market. This growth contributed to an increase of 21% in the Data Services operating profit to £7.4m and the operating margin declined from 21% to 20% reflecting lower margin Omnibus business that we transferred from Custom Research in the Nordics.

Overall Data Services revenue growth included a 43% increase in reported revenue in the US (34% increase in underlying terms[1]), and a 27% increase in Asia Pacific due to the Galaxy Research acquisition (4% decrease in underlying terms[1]). France and Germany also grew strongly, by 16% and 24% respectively. In the UK, where YouGov Omnibus is the market leader, revenue grew by 14%.

Custom Research

Our Custom Research division includes tailored research projects and tracking studies.

The performance of the Custom Research service continued to be impacted by restructuring activities undertaken in the current and previous financial year. The largest reductions in revenue were Nordics (100% decline, due to the transfer of the business to the Data Services division) and the Middle East (23% decline). In the UK, revenue increased by 13% to £15.2m. The US was favourably impacted by foreign exchange gains, increasing revenue by 3% on a reported basis, however revenue declined by 4% on an underlying basis due to a reduction in client spend.

During the period, the business revenue grew by 2% in reported terms and by 1% in underlying[1] terms to £60.0m. However, the adjusted operating profit[2] increased by 10% to £12.9m and the operating margin improved by two percentage points to 22%. This was largely due to operating costs as a percentage of sales reducing by 1% as a result of the restructuring of underperforming areas.

Revenue	**Year to 31 July 2019 £m**	Year to 31 July 2018 £m	Revenue growth %	Underlying business[1] revenue change %
Data Products	41.5	30.4	36%	25%
Data Services	37.2	29.0	28%	11%
Total Data Products & Services	**78.7**	**59.4**	**32%**	**18%**
Custom Research	**60.0**	**58.7**	**2%**	**1%**
Intra-Group Revenues	(2.2)	(1.5)	44%	–
Group	**136.5**	**116.6**	**17%**	**10%**

Adjusted Operating Profit[2]	**Year to 31 July 2019 £m**	Year to 31 July 2018 £m	Operating Profit growth %	**Operating margin %**	
				Year to 31 July 2019	Year to 31 July 2018
Data Products	14.1	9.4	50%	34%	31%
Data Services	7.4	6.0	21%	20%	21%
Total Data Products & Services	**21.5**	**15.5**	**39%**	**27%**	**26%**
Custom Research	**12.9**	**11.7**	**10%**	**22%**	**20%**
Central Costs	(16.1)	(14.6)	11%	–	–
Group	**18.3**	**12.7**	**45%**	**13%**	**11%**

Chief Financial Officer's report

for the year ended 31 July 2019 continued

Performance by geography

YouGov's geographic footprint spans the UK, Americas, Europe, Middle East and Asia Pacific.

Revenue	**Year to 31 July 2019 £m**	Year to 31 July 2018 £m	Revenue growth %	Underlying business[1] revenue change %
UK	**41.2**	31.3	32%	18%
Americas	**56.4**	48.2	17%	5%
Mainland Europe	**23.9**	21.6	11%	16%
Middle East	**10.5**	12.1	(13%)	(2%)
Asia Pacific	**11.3**	8.7	29%	8%
Intra-Group Revenues	**(6.8)**	(5.3)	–	–
Group	**136.5**	116.6	17%	10%

				Operating margin %	
Adjusted Operating Profit[2]	**Year to 31 July 2019 £m**	Year to 31 July 2018 £m	Operating profit growth %	**Year to 31 July 2019**	Year to 31 July 2018
UK	**11.8**	10.2	16%	**29%**	32%
Americas	**13.2**	13.8	(4%)	**23%**	29%
Mainland Europe	**2.9**	1.1	164%	**12%**	5%
Middle East	**3.3**	3.0	8%	**31%**	25%
Asia Pacific	**0.2**	0.2	2%	**1%**	2%
Central Costs	**(13.1)**	(15.6)	(16%)	**–**	–
Group	**18.3**	12.7	45%	**13%**	11%

During the year ended 31 July 2019, an increased proportion of the central costs were reallocated to the geographic hubs, leading to a reduction in the reported adjusted operating margins[2] compared to the year ended 31 July 2018.

Panel development by geography

We continue to invest in our consumer panel to increase our research capabilities, both in new geographies and specialist panels. At 31 July 2019, the total number of registered panellists had increased to 8.4 million, compared to 6.6 million at 31 July 2018, as set out in the table below. During the year, the Group invested in expanding our geographic capability to Poland and Canada.

Region	**Panel size at 31 July 2019**	Panel size at 31 July 2018	% Change
UK	**1,630,985**	1,355,751	20%
Americas	**3,169,415**	2,414,995	31%
Mainland Europe	**1,209,209**	952,039	27%
Middle East	**1,064,205**	934,696	14%
Asia Pacific	**1,301,053**	946,233	37%
Total	**8,374,867**	6,603,714	27%

Group financial performance

Amortisation of Intangible Assets

In the 12 months to 31 July 2019, amortisation charges for intangible assets of £8.8m were £1.8m higher than the previous year. Amortisation of the consumer panel increased by £0.7m to £3.2m reflecting the additional investment made to grow the panel in the past three years. Amortisation of software increased by £1.0m to £5.0m. £4.6m (2018: £3.5m) of the total software development charge related to assets created through the Group's own internal development activities, £0.3m (2018: £0.3m) related to separately acquired assets and £0.1m (2018: £0.2m) was for amortisation on assets acquired through business combinations.

Separately reported items

	Year to 31 July 2019 £m	Year to 31 July 2018 £m
Restructuring costs	**0.2**	1.4
Acquisition-related costs	**0.4**	1.2
Fair-value movements	**(2.1)**	(1.7)
Total separately reported Items	**(1.5)**	0.9

Restructuring costs in the year are residual cost incurred in respect of the restructuring of the Custom Research business in Mainland Europe and the Middle East and the closure of the Reports business.

Acquisition related costs in the year comprise: £2.8m of contingent consideration treated as staff costs in respect of the acquisitions of Galaxy Research Pty Ltd, InConversation Media

Limited and Portent.io Limited and £0.8m of transaction costs in respect of the acquisitions made in the year, £0.2m of which is contingent less a reduction in expected SMG contingent consideration of £3.2m.

Fair value gains in the year comprise: a £1.9m increase in the fair value assessment of the Group's 20% shareholding in SMG Insight Limited prior to acquisition and a bargain purchase gain, net of a fair value loss, in respect of the acquisition of Portent.io Limited of £0.2m.

Analysis of operating profit and earnings per share

Adjusted profit before tax[2] of £20.5m was an increase of £4.2m (26%) on the comparable result of £16.3m for the 12 months to 31 July 2018. The adjusted tax rate remained at 26%. Statutory profit before tax of £19.5m was reported compared to £11.8m in the year ended 31 Jul 2018, an increase of 65%.

During the period adjusted earnings per share[2] grew by 30% from 11.5p to 14.9p and statutory earnings per share grew by 84% from 7.7p to 14.2p.

	31 July 2019 £'000	31 July 2018 £'000
Adjusted operating profit[2]	**18.3**	12.6
Share-based payments	**2.4**	3.6
Imputed interest	**0.2**	0.1
Net finance expense	**(0.3)**	(0.1)
Share of post-tax profit in associates	**(0.1)**	0.1
Adjusted profit before tax[2]	**20.5**	16.3
Adjusted taxation[2]	**(5.4)**	(4.2)
Adjusted profit after tax[2]	**15.1**	12.1
Adjusted earnings per share (pence)[2]	**14.9p**	11.5p

Cash flow, capital expenditure and technology investment

The Group generated £35.3m (2018: £23.6m) in cash from operations (before paying interest and tax) including a £6.0m (2018: £0.6m) net working capital inflow; as a result the cash conversion rate (percentage of adjusted EBITDA converted to cash) increased from 113% to 124% of adjusted EBITDA.

The Group invested £4.8m (2018: £3.9m) in the continuing development of our technology platform and increased the investment in panel recruitment to £4.0m (2018: £2.8m) for the year to support continued global expansion. Our investment in technology continued across three main areas: websites and mobile applications, survey systems, and our data analytics tool, Crunch. £2.7m (2018: £1.0m) was spent on the purchase of property, plant and equipment, resulting in a total investment in fixed assets of £12.2m (2018: £8.2m).

	31 July 2019 £m	31 July 2018 £m
Internally generated software	**4.8**	3.9
Panel recruitment	**4.0**	2.8
Other intangible assets	**0.7**	0.5
Total expenditure on intangible assets	**9.5**	7.2
Purchase of property, plant and equipment	**2.7**	1.0
Total capital expenditure	**12.2**	8.2

Other cash outflows included £2.3m for the purchase of InConversation Media Limited, Portent.io Limited and the business of Crunch.io Inc, £4.5m in settlement of deferred consideration amounts due and taxation payments of £4.5m (2018: £5.5m).

Net expenditure on financing activities increased by £4.8m to £6.8m, including the dividend payment of £3.2m (2018: £2.1m) and the purchase of treasury shares for £4.0m (2018: £nil).

Net cash balances at the year-end increased by £7.3m to £37.9m. Net cash inflow in the year was £5.2m (2018: £7.2m) and currency fluctuations in the year resulted in an exchange gain of £2.1m (2018: £0.2m).

Currency

The Group's results were affected by the net depreciation of £ Sterling as its average exchange rate was 4% lower against the USD in this period than in the 12 months to 31 July 2018. Movement against the Euro was effectively flat for the period. The net impact of foreign exchange on the Group's adjusted operating profit[2] was an increase of £0.6m compared to calculation in constant currency terms.

Balance sheet

As at 31 July 2019, total shareholder's funds increased from £92.1 to £108.6m. Net assets increased from £92.1m to £108.0m, with a minority interest of £0.6m accounting for the difference. Net current assets decreased from £25.3m to £24.1m. Current assets increased by £5.9m to £72.6m with debtor days decreasing from 56 to 47. Current liabilities increased by £7.3m to £48.7m with creditor days increasing to 24 days from 21 days at 31 July 2018. Non-current liabilities increased by £2.9m to £14.1m partly due to £2.2m of contingent consideration payable in respect of acquisitions.

Proposed dividend

The Board is recommending the payment of a final dividend of 4.0 pence per share for the year ended 31 July 2019. If shareholders approve this dividend at the Annual General Meeting (scheduled for 11 December 2019), it will be paid on 16 December 2019 to all shareholders who were on the Register of Members at close of business on 6 December 2019.

Alex McIntosh
Chief Financial Officer
8 October 2019

1 Defined as growth in business excluding impact of current and prior period acquisitions £9.1m, the reduction in revenue as a result of the rationalisation of the Custom Research business (£2.7m) and movement in exchange rates £2.4m.

2 Defined in the explanation of Non-IFRS measures on page 38.

Chief Financial Officer's report

for the year ended 31 July 2019 continued

Explanation of Non-IFRS measures

Financial Measure	How we define it	Why we use it
Separately reported items	Items that in the Directors' judgement are one-off or need to be disclosed separately by virtue of their size or incidence	Provides a more comparable basis to assess the year-to-year operational business performance
Adjusted operating profit	Operating profit excluding separately reported items	
Adjusted operating profit margin	Adjusted operating profit expressed as a percentage of revenue	
EBITDA	Operating profit before charging depreciation and amortisation	
Adjusted EBITDA	EBITDA excluding separately reported items	
Adjusted profit before tax	Profit before tax before share-based payment charges, imputed interest and separately reported items	
Adjusted taxation	Taxation due on the adjusted profit before tax, excluding the tax effect of separately reported items and share based payment charges	Provides a more comparable basis to assess the underlying tax rate
Adjusted tax rate	Adjusted taxation expressed as a percentage of adjusted profit before tax	
Adjusted profit after tax	Adjusted profit before tax less adjusted taxation	Facilitates performance evaluation, individually and relative to other companies
Adjusted profit after tax attributable to owners of the parent	Adjusted profit after tax less profit attributable to non-controlling interests	
Adjusted basic earnings per share	Adjusted profit after tax attributable to owners of the parent divided by the weighted average number of shares. Adjusted diluted earnings per share includes the impact of share options	
Constant currency revenue change	Current year revenue change compared to prior year revenue in local currency translated at the current year average exchange rates	Shows the underlying revenue change by eliminating the impact of foreign exchange rate movements
Cash conversion	The ratio of cash generated from operations to adjusted EBITDA	Indicates the extent to which the business generates cash from commercial activities

Reconciliation of Non-IFRS measures

Adjusted Operating Profit Reconciliation	**Year to 31 July 2019 £m**	Year to 31 July 2018 £m	% Change
Statutory operating profit	**19.8**	11.8	69%
Separately reported items	**(1.5)**	0.9	–
Adjusted operating profit	**18.3**	**12.7**	**45%**

Adjusted EBITDA Reconciliation	**Year to 31 July 2019 £m**	Year to 31 July 2018 £m	% Change
Adjusted operating profit	**18.3**	12.7	45%
Depreciation	**1.5**	1.2	20%
Amortisation	**8.8**	7.0	25%
Adjusted EBITDA	**28.6**	**20.9**	**37%**

Principal risks and uncertainties

Our approach to risk management

As reported last year, the Audit & Risk Committee led a comprehensive review of the Group Risk Management Policy and Procedure (the "Risk Procedure") during 2017/18. As a result, this reporting year was the first full year of operation for the Risk Procedure. Primary responsibility for oversight and scrutiny of risk management has been delegated to the Audit & Risk Committee, who report to the Board on a regular basis. The Audit & Risk Committee's Terms of Reference reflect their focus on risk. For information on the activities of the Audit & Risk Committee during the year, see pages 53 to 55. The outputs from the Risk Procedure 2018/19 have fed into the Board's identification of the principal risks and uncertainties facing the Company at 31 July 2019.

Our approach to identifying the principal risks

The principal risks and uncertainties identified in this report are those categories of risk which are considered by the Board to be material to the development, performance, position and/or future prospects of the Company.

While the risk categories have not materially changed since the last Annual Report, the risk factors may have evolved and the categorisation may have changed.

In determining the principal risks, the Audit & Risk Committee assess the top net risks once existing controls are taken into consideration. The top net risks are consolidated into the principal risks which are reported below. While the principal risks have been categorised for the purpose of this report, some risk elements may appear in more than one risk, and some controls may apply across multiple risks. When viewing the principal risks in this report, it should be noted that they are presented alphabetically by category, not by risk score.

These are not the only risks facing the business, but are those which are considered to have a material impact on the business, and therefore are the focus of discussion at the highest levels of the Group.

Risk & status	Description	Mitigation
Competition	Increasing competition from "copycat" products could attract clients away from YouGov. In our fast-paced industry, YouGov's offering could become outdated and thereby not able to retain clients. Panel members could choose to move away from YouGov and offer their opinions to competitors.	• Differentiation from our competitors: the size of our panel and the wealth of data in our proprietary data library are key assets which are difficult for competitors to replicate. • YouGov is continually innovating to keep our products relevant and at the cutting edge of our industry. • Dedicated Panel team manages the needs of our panellists globally. We continuously innovate to improve the panellist experience.
Cyber	Risks from cyber incidents are broad, but the key risks relevant to YouGov have been identified as: (i) Inadequacy of IT infrastructure to support the business. For example, an inability to restore business promptly after an outage. (ii) Serious IT failure impacting on business operations such as from deliberate intrusion (i.e. hacking, social engineering or virus), accidental outage due to user error, employee malfeasance or failure of physical IT assets (i.e. data centres and/or hardware).	• YouGov has business continuity and disaster recovery plans in place, which are regularly reviewed. • Robust budget planning in place for IT resource requirements, involving key stakeholders from across the business. • Breach Response Policy and dedicated team (including Group Head of Infrastructure & System Operations, Group Head of Panel, Group Head of Governance, Group Data Protection Officer and Group Information Security Manager) in place to respond to any breaches. • Information Security Committee meet regularly to manage projects and actions arising around the business, with participation from the COO, Senior Management and Governance teams. • Intrusion detection systems in place, which are regularly tested. • IT security practices are externally validated. In 2018/19, ISO 27001 certification was achieved in respect of our information management system for client confidential information.

Principal risks and uncertainties continued

Risk & status	Description	Mitigation
Data protection	The occurrence of a data breach incident (i.e. exposure of panellist/client personal information) due to deliberate intrusion (e.g. unauthorised access, hacking, social engineering or virus), accidental data leak, or deliberate de-anonymisation (client takes YouGov data and combines it with their own data to create data from which individuals can be identified). Non-compliance under the EU GDPR or other data protection or privacy legislation leading to significant penalties or reputation damage.	• Group Data Protection Officer and Group Information Security Manager work closely to manage these risks with their teams. • Management focus on compliance across the Group's data handling activities. The Board receive reports at each meeting. The Data Protection & Security Committee and Information Security Committee meet regularly throughout the year, with participation from the Chief Operating Officer and Senior Management stakeholders. • Compulsory training on IT Security and Data Protection for all employees across the Group, with refresher training program in place. • Data Protection Policies and related documentation are reviewed and updated regularly. • Breach Response Policy and dedicated team in place to respond to any breaches.
Geopolitical	Consequences of the United Kingdom's exit from the European Union ("Brexit") cause uncertainty for the economic outlook for businesses operating in the UK.	• While specific mitigation is not possible prior to the terms of an exit from the EU being agreed, the Board and Governance team monitor the political, industry and regulatory changes across the Group in relation to Brexit. • While Brexit continues to create uncertainty in the economic and political environment, especially for UK and European businesses, the international spread of our revenues, with a significant and growing US weighting, cushions us from volatility.
Internal controls	Unauthorised access to or use of our systems and/or IT infrastructure by ex-employees/ contractors and/or unknown third parties.	• HR and IT teams work together to manage access to our systems by known third parties such as contractors and ex-employees. • The Audit & Risk Committee is appraised of activities to review and improve internal controls in their meetings. • Prevention of access by unknown third parties is the responsibility of the IT Security team. We use security systems which are externally validated and work to continually improve as risks evolve. We hold ISO 270001 certification for our information security management (see page 54), a globally recognised standard.
Panel[1]	Failure to maintain quality engaged panellists in order to meet business need.	• Group Head of Panel leads a team dedicated to maintaining the YouGov Global Panel. The Board receive reports on the panel at each Board Meeting, including panel capability, acquisition and overall health. • Data Innovation Unit and Panel team work to improve the panellist experience and to monitor panellist fraud attempts.
Regulatory	Failure to comply with legal and regulatory requirements for a listed company with overseas subsidiaries for reasons such as: • lack of knowledge or adequate advice; • lack of understanding of relevant legislation or regulations; or • inability to follow company policy.	• Group activities are subject to scrutiny by the Board, Board Committees and external auditors. • Management is supported by a team of qualified professionals, external advisors and in-house legal team.

[1] New entry

Risk	Description	Mitigation
Reputation	Failure to protect the Group's reputation could lead to a loss of confidence and decline in our customer base; affect our ability to recruit and retain employees and panellists. Damage to our reputation could arise from a range of events, for example from our services being of poor quality or the leak of confidential data. Given the general mistrust of market research and data analytics industry, reputational damage could be difficult to recover from.	• PR advisors retained who actively monitor the corporate press. • Executive Management receive media training. • Nominated staff manage corporate social media relations. • Nominated spokespersons are in place for media interaction. Additional resource to internal and external communications added during the year. • Panel team actively monitors panellist feedback by email and surveys; Marketing team actively monitors social media feeds and manages complaints.
Strategy	Key risks related to Strategy include: Failure to achieve projected growth in line with our annual budget and/or do not meet the strategy objectives in line with market expectations. Failure to identify or execute a successful strategy for the business leading to loss of client base, inadequate resources to provide new products and/or services, and/or changes in technology result in YouGov's offering becoming outdated.	• During 2018/19 in the lead up to the conclusion of FYP1, the Board adopted FYP2. The Board assesses progress against five-year plans regularly. • Executive LTIP links Senior Management remuneration to profit growth (see the Annual Report on Remuneration on page 62). • Senior Management focus on developing and implementing new strategies, methodologies, technologies, products and services. • Robust planning process in place involving key stakeholders across the business. • Regular review of Company performance against market expectations by the Board. • Management meet regularly with the Company's broker to review market expectations and messaging. • Our resource applied to determining our strategy, and the detailed planning in place, has enabled us to score this risk as decreased year-on-year.

Key

No change   Increased risk   Decreased risk

The Strategic Report is approved by the Board and signed on its behalf by:

Stephan Shakespeare
Chief Executive Officer
8 October 2019

In this section

Governance report

Capturing

At the heart of our company is a global online community, where millions of people and thousands of political, cultural and commercial organisations engage in a continuous conversation about their beliefs, behaviours and brands.

Chair's Introduction and Corporate Governance Statement

On behalf of the Board of Directors of YouGov plc (the "Board"), I am pleased to present the YouGov plc Corporate Governance Report for the year ended 31 July 2019.

The Board is committed to delivering high standards of corporate governance – commensurate with the size, stage of growth and nature of the Group's activities – to its shareholders and other stakeholders including employees, panellists, customers, suppliers and the wider community.

Evolving corporate governance at YouGov

Since 2014, the Company has followed the QCA Corporate Governance Code as its benchmark for good corporate governance practice. As reported last year, the Board has formally adopted April 2018 edition of the QCA Code (the "QCA Code 2018"). As Chair, I have oversight of how our corporate governance processes and procedures meet the requirements of the QCA Code 2018. While we have chosen not to follow the UK Financial Reporting Council ("FRC") Corporate Governance Code (the "FRC Code") – as we have determined that the QCA Code 2018 is better suited to the size and type of our business – we take into account the principles of the FRC Code.

We continually improve our corporate governance practices with a view to achieving best practice standards befitting to our position as one of the largest AIM-listed companies. During the year, corporate governance activities have included:

- Achieving ISO 27001 certification for information security of client confidential data (see page 54);
- Completing the first board effectiveness evaluation under the revised process (see page 49);
- Reviewing and making changes to our committee membership (see page 52); and
- Developing a new long-term incentive plan, the LTIP 2019 (see page 56).

Our growing Governance team at YouGov assists the Board to ensure high standards are maintained.

Board composition

After the year-end, Ben Elliot retired as Non-Executive Director on 13 September 2019 and we announced that Nick Jones will retire at the Annual General Meeting ("AGM") to be held on 11 December 2019. Both Nick and Ben have made a significant contribution during their time with YouGov. On behalf of our stakeholders and the Board, I would like to offer them our sincere thanks.

As Nick Jones approached ten years' tenure on the Board, we began transitioning to new Committee membership in anticipation of the time when he might retire. Ashley Martin, who joined the Board as a Non-Executive Director during the year, became Chair of the Audit & Risk Committee in November 2018. Rosemary Leith, a Non-Executive Director and Chair of our Remuneration Committee, will take over Nick's role as Senior Independent Director when he departs in December 2019. I offer thanks to Nick for remaining with the Committees during this transition period to ensure a smooth handover.

"The Board is committed to delivering high standards of corporate governance – commensurate with the size, stage of growth and the nature of the Group's activities."

Following Nick Jones' expected retirement on 11 December 2019, our Board will consist of four independent Non-Executive Directors and three Executive Directors. The Nomination Committee has in place a comprehensive succession plan for all Board roles to ensure we continue to have the right balance of skills and independent oversight. For more information on the activities of the Nomination Committee, see page 52.

Corporate culture

When YouGov was established in 2000, we were the pioneer in the field of online market research. As we move towards our 20th Anniversary in 2020, our corporate culture retains the progressive and entrepreneurial spirit which was formed in those early days. This is reflected in our Company Values which were re-launched during the year. The values - be fast, be fearless, get it right and trust each other – are described on page 8. These values are core to our culture as we continue to grow globally. As befitting a company in our area of business and our industry, opinions are valued and innovation is openly encouraged.

The Board monitors corporate culture through regular interaction with senior management and, for the Executive Directors in particular, day-to-day contact with colleagues at all levels throughout the business. Corporate culture has continued to be an area of focus for the Board in 2018/19, with investments made to improve both panel and employee experiences. In a year when we acquired new assets, we continue to aim for acquired companies to be integrated into YouGov as swiftly as possible, from both an operational and cultural perspective.

Stakeholder engagement

During 2018/19, we have engaged with stakeholders in a number of ways, including:

- Conducting an all-employee engagement survey, enabling all employees globally to provide confidential feedback on their experiences (see page 67);
- Holding our first "Minding the Gap" event, an open forum for employees to help construct our gender pay gap action plan (see page 66);
- Appointing employee champions to participate in decisions regarding the refurbishment of our London office; and
- Launching a new corporate website, providing a dedicated repository of information for our shareholders, clients and other stakeholders.

For information on our employee engagement see page 67, and how we interact with our stakeholders see pages 8 and 65 to 67.

YouGov now employs more than 1,000 staff across four continents. On behalf of the Board, and shareholders, I would like to thank all our employees for their contribution to YouGov's ongoing success.

This Corporate Governance Report sets out our approach to governance, provides further information on the operation of the Board and its Committees, and explains how the Group complies with the QCA Code 2018.

Roger Parry
Chair
8 October 2019

Board of Directors

Roger Parry CBE N

Non-Executive Chair

Appointed Non-Executive Chair in January 2007

Roger is Chair of Oxford Metrics and a Non-Executive Director of Uber UK. Roger was previously Chair of Future Publishing, Johnston Press and Shakespeare's Globe Trust; a consultant with McKinsey & Co; CEO of More Group, and CEO of Clear Channel International. Roger was educated at the universities of Oxford and Bristol. He is a Visiting Fellow of Oxford University. He was awarded the CBE in 2014. He is the author of five books including The Ascent of Media.

Stephan Shakespeare N

Chief Executive Officer

Founded YouGov plc in March 2000

One of the pioneers of internet research, Stephan has been the driving force behind YouGov's innovation-led strategy. He was chair of the Data Strategy Board for the Department for Business, Innovation and Skills 2012–2013 and led the Shakespeare Review of Public Sector Information. He is a commissioner for the Social Metrics Commission, an independent charity dedicated to helping UK policy makers and the public understand and take action to tackle poverty. Stephan has an MA in English Language and Literature from Oxford University.

Alex McIntosh N

Chief Financial Officer

Appointed Executive Director in December 2017

Alex has been with YouGov since 2007. He initially joined YouGov as Corporate Finance Manager focussing on planning, budgeting and corporate development. He became Chief Strategy Officer in 2011 and played a leading role in the development of YouGov's strategic plans and data product developments. Alex also held the role of Chief Executive Officer of the UK business from 2015 to 2016. He previously worked in corporate finance advising a wide range of companies on their growth plans and first worked with YouGov in 2005 while at Grant Thornton when he assisted with the Group's initial public offering on AIM. Alex holds a BSc (Hons) in Applied Accounting, an MSc in Finance, and is a Fellow of the Association of Chartered Certified Accountants.

Sundip Chahal N

Chief Operating Officer

Appointed Executive Director in December 2017

Sundip has been with YouGov since 2005 and has been the Group's Chief Operating Officer since 2014. He initially joined the UK business as BrandIndex Sales Director, becoming Managing Director of Data Products in 2008. In 2009, he was appointed as Chief Operating Officer of YouGov's MENA business and relocated to Dubai to oversee the expansion of YouGov's core online services across the Middle East, North Africa and Asia. In 2010, he was promoted to Chief Executive Officer of YouGov MENA. Prior to joining YouGov, Sundip gained experience of the market research industry with Ipsos Mori and Research International.

Nick Jones N S

Non-Executive Director and Senior Independent Director

Appointed Non-Executive Director in June 2009 and Senior Independent Director in May 2015

Nick is Chief Financial Officer of Broadstone, the provider of employee benefits, actuarial and investment services advice to small and medium-sized businesses. Prior to this, he was CFO of Attenda, CFO of Achilles Group, and Global Head of Finance for Reuters plc, where he also led the integration of Thomson and Reuters. Nick has held senior financial roles in technology and media businesses in the UK, US and Europe including Virgin Media, Phillips Electronics and RR Donnelley. Nick is a Fellow of the Chartered Institute of Management Accountants and holds a BA (Hons) in Accounting and Finance.

Nick is expected to retire from the Board at the AGM to be held on 11 December 2019.

Ashley Martin A* R N

Non-Executive Director

Appointed Non-Executive Director in September 2018

In addition to his Non-Executive role with YouGov, Ashley is also Non-Executive Director and Chair of the Audit & Risk Committee at Zegona Communications plc. Until 2018, he served for nine years as Non-Executive Director and Chair of the Audit Committee at Rightmove plc. Ashley has held main board executive roles at a number high growth entrepreneurial businesses mainly in the technology, media and communications sector including Tempus Group plc, Rok plc and The Engine Group. He is a Fellow of the Institute of Chartered Accountants.

Rosemary Leith R* A N

Non-Executive Director

Appointed Non-Executive Director in February 2015

Rosemary is Non-Executive Director of HSBC UK Bank plc and member of the Bank's Risk Committee. She is co-founding Director of the World Wide Web Foundation and Trustee of the National Gallery (London), where she is Chair of the Digital Advisory Board and member of the Remuneration Committee. She is a Fellow at Harvard's Berkman Klein Center for Internet and Society. Rosemary works as an advisor and investor in a number of technology businesses and academic institutions in Europe and North America including Motive Partners (a Fintech fund based in New York), Glasswing Ventures (Boston) and Queen's University School of Business (Canada). She has been the Chair of the World Economic Forum Global Agenda Council on Future of Internet Security. Rosemary holds a Bachelor of Commerce (Hons) in Finance and Accounting from Queen's University, Canada.

Rosemary is expected to be appointed as Senior Independent Director following the AGM to be held on 11 December 2019.

Andrea Newman R N

Non-Executive Director

Appointed Non-Executive Director in December 2017

Andrea is the Head of Global Brand at HSBC Holdings plc. In this role, Andrea is responsible for the management of the HSBC brand globally, as well as all marketing. She has been at HSBC for 20 years and during that time has lived and worked in the US and Asia Pacific in addition to the UK. During her tenure with HSBC she has overseen the development of the company's brand from a federation of over 50 brands to one unified brand, elevating HSBC's place as one of the most globally recognised financial services brands.

Ben Elliot A N

Non-Executive Director

Appointed Non-Executive Director from August 2010 to September 2019

Ben Elliot is the co-founder of Quintessentially, the global luxury lifestyle company founded in December 2000. He is also the Chair of the Quintessentially Foundation, which has raised over £11m for charity since 2008, and a Partner in Hawthorn Advisors, a successful corporate communications business. He is a Trustee for the V&A Museum and Chair of the Philanthropy Board for the Royal Albert Hall, as well as being a Trustee of the Eranda Rothschild Foundation and the Honorary Treasurer for The Centre for Policy Studies.

Key

- * Chair of Committee
- S Senior Independent Director
- A Audit & Risk Committee member
- R Remuneration Committee member
- N Nomination Committee member

Corporate Governance Report

for the year ended 31 July 2019

Statement of Compliance

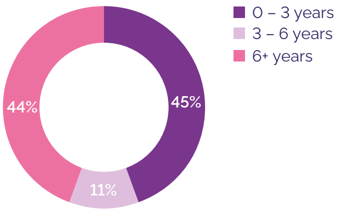
YouGov plc has adopted the QCA Code 2018. We are compliant with the principles of the Code. Disclosures required by the QCA Code 2018 have been made both in this Annual Report and on our website (corporate.yougov.com).

The Board

Composition

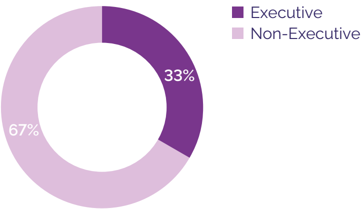
At 31 July 2019, the Board consisted of three Executive Directors and six Non-Executive Directors, including a Non-Executive Chair.

Board tenure*



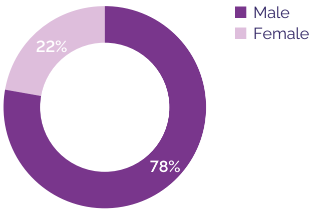
*As at 31 July 2019

Board composition*



*As at 31 July 2019

Board gender diversity*



*As at 31 July 2019

There were a number of changes to the composition of the Board during the year and following year-end.

During the year, on 1 September 2018, Ashley Martin joined the Board as Non-Executive Director and subsequently became Chair of the Audit & Risk Committee on 1 November 2018.

After the year-end, we announced that Ben Elliot would retire from the Board on 13 September 2019 following nine years' tenure as a Non-Executive Director and that Nick Jones was expected to step down as Senior Independent Director at the AGM to be held on 11 December 2019. Nick Jones exceeded nine years' tenure in 2018 and has stayed on the Board to enable a smooth transition of his roles as Senior Independent Director and Chair of the Audit & Risk Committee.

There have been no changes to the Executive Directors during the reporting year.

The names of the Directors during the year, their biographies and their respective responsibilities are shown on pages 46 and 47.

Independence

The Board periodically reviews its composition and succession planning framework to ensure that Board appointments create an appropriate mix of skills and experience, and a level of diversity and independence that supports the Group's objectives for business growth.

The key factors considered by the Board when determining a Director's independence are:

(i) their other commitments;

(ii) their tenure; and

(iii) the personal qualities they demonstrate in the boardroom.

Particular weight is given to how they exercise their judgement, and to the level of engagement and challenge that they provide in Board and Committee discussions. Each of the Non-Executive Directors, including the Non-Executive Chair, are considered by the Board to be independent. This is reviewed annually by the Board. Principle 5 of the QCA Code 2018 advises that independence is a Board judgement.

Roger Parry reached 12 years tenure on the Board in 2019. After evaluation, the Board has determined that Roger remains independent in character and judgement in his role as Non-Executive Director and as Chair of the Board.

Nick Jones reached ten years tenure on the Board in 2019. After evaluation, the Board determined that Nick remains independent in character and judgement in his roles. As announced after the end of the reporting year, Nick Jones is expected to retire from the Board at the AGM on 11 December 2019.

For more information on succession planning, see the report of the Nomination Committee on page 52.

Operation

The Board operates both formally, through Board and Committee meetings, and informally, through regular contact among Directors. High-level decisions on matters such as strategy, financial performance and reporting, dividends, risk management, major capital expenditure, acquisitions and disposals are reserved for the Board or Board Committees. The Board receives regular information from management on the Group's performance and appropriate information relating to the agenda for formal Board and Committee meetings are provided in advance of those meetings. During the year, the Board moved to an online portal for distribution of Board papers to increase efficiency and security.

All Directors are expected to commit sufficient time to their roles as required. As a minimum, Non-Executive Directors commit one day per month. The Chairs of the Board and its Committees commit further time as required to fulfil their roles.

All Directors are required to submit themselves for re-election at the AGM following their appointment and subsequently on a rotational basis, which ensures that each Director is submitted for re-election approximately every three years. In line with best practice, the Board has decided that from the 2019 AGM onwards all Directors will be subject to re-election by the shareholders at each AGM. The Company's Articles of Association, which were adopted in 2008, have been reviewed during the year. To reflect the new policy on annual re-election and additional best practice updates, a new set of Articles of Association will be tabled at the 2019 AGM for Shareholder approval.

All Directors bring their experience to the Board. Directors are encouraged to keep their skillset up to date and the Company provides support in this regard where needed. For example, the Company provides access to external advisors or externally facilitated courses where appropriate. In 2018/19 this included global entity training for the Executive Directors by KPMG Global Entity Management.

Evaluation

Each year, the Board commissions an evaluation of its own effectiveness and considers whether that evaluation should be internally or externally facilitated. This year, it was determined that an in-house effectiveness evaluation would be sufficient.

The in-house evaluation was conducted by the Corporate Secretariat in compliance with the Board Effectiveness Evaluation Process approved by the Board in 2018. The evaluation consisted of:

- Questionnaires on effectiveness of the Board as a whole;
- Individual peer-to-peer questionnaires; and
- One-on-one discussions with the Company Secretary.

Anonymised results from Board effectiveness questionnaires were presented to the full Board. No areas of material concern were identified and it was confirmed that the Board was operating effectively. With a view to continually improving the Board's effectiveness, recommendations were presented to the Board for actions to be undertaken during the next twelve months, including the following actions that were completed by the end of the reporting year.

Area	Recommendation	Actions taken in 2018/19
Ongoing Development	Consider opportunities for development when they occur for both Executive and Non-Executive Directors.	KPMG's Global Entity Management team provided a tailored global entity training session for new Executive Directors.
Succession Planning	Ensure formal recruitment, appointment and induction processes for new appointees.	Nomination Committee met to consider succession for key Board roles.
Board Information	Revise Board paper templates to ensure a consistent approach to the presentation of information to the Board.	New portal for online distribution of papers to the Board implemented.

Corporate Governance Report

for the year ended 31 July 2019 continued

Shareholder communications

The Executive Directors meet regularly with institutional shareholders to discuss the Group's performance and future prospects. At these meetings, the views of institutional shareholders are canvassed and subsequently reported back to the Board. The AGM is available as a forum for communication with private shareholders. Chairs of each Committee attend the AGM to address any queries about their Committee's performance during the year.

Shortly after the year-end, we launched a new corporate website to facilitate improved engagement with our stakeholders, including our shareholders. The website can be found at corporate.yougov.com.

Our primary point of contact for investor relations is the Company Secretary. The dedicated email address for any investor queries is: investor.relations@yougov.com

Advisors

All Directors have access to the Group's selected advisors and can obtain independent professional advice at the Group's own expense in performance of their duties as Directors. Board Committees are authorised to obtain, at the Group's expense, professional advice on any matter within their Terms of Reference. The Audit & Risk Committee works with the Group's external auditors, PricewaterhouseCoopers ("PwC"). The Company Secretary is supported on company secretarial matters by KPMG (global entity management), Numis (NOMAD) and Neville Registrars (Registrar). During the year, the Remuneration Committee was supported by Aon (remuneration consultants).

Auditor independence

The Audit & Risk Committee undertakes a formal assessment of the auditors' independence each year, which includes:

- confirmation of the auditors' objectivity and independence in the provision of non-audit services to the Group by the use of separate teams to provide such services where appropriate;
- discussion with the auditors of a written report detailing relationships with the Group and any other matters that could affect independence or the perception of independence;
- a review of the auditors' own procedures for ensuring independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner; and
- obtaining written confirmation from the auditors that, in their professional judgement, they are independent.

An analysis of the fees payable to the external audit firm in respect of both audit and non-audit services during the year is set out in Note 2 to the Financial Statements. For more information on the Audit & Risk Committee's evaluation of the external auditors, see page 54.

Directors' conflicts of interest

The Company has procedures in place to monitor and manage Directors' conflicts of interest. The Directors are required to declare their interests and connected persons on an annual basis (and additionally when there is change) and the Company Secretary maintains a register of said interests. The Company's current and proposed Articles of Association permit the Board to authorise declared conflicts of interest; and Directors may excuse themselves from decisions when they are concerned about a conflict or potential conflict.

Save as disclosed, no Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or which is or was significant in relation to the business of the Company and which was effected by the Company either: (i) during the current or immediately preceding financial year; or (ii) during any earlier financial year and which remains in any aspect outstanding or unperformed.

Controls and Procedures

Key controls and procedures

The Board maintains full control and direction over appropriate strategic, financial, organisational and compliance issues and has put in place an organisational structure with defined lines of responsibility and delegation of authority.

The Board, prior to approval being given, reviews the annual budget and forecasts. This includes the identification and assessment of the business risks inherent in the Group as well as in the data analytics and media sectors, along with associated financial risks.

The system of internal controls is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, in addition to providing reasonable but not absolute assurance against material misstatement or loss. These include controls in relation to the financial reporting process and the preparation of consolidated accounts. These procedures have been in place during the financial year up to the date of approval of the Annual Report. This process is regularly reviewed by the Board and is in accordance with FRC guidance. The Audit & Risk Committee receive a report from management on the effectiveness of internal controls each year. For more information on the Committee's activities with regard to internal controls, see page 54.

The key procedures include:

- detailed budgeting programme with an annual budget approved by the Board;
- regular review by the Board of actual results compared with budget and forecasts;
- regular reviews by the Board of year-end forecasts;
- establishment of procedures for acquisitions, capital expenditure and expenditure incurred in the ordinary course of business;
- detailed budgeting and monitoring of costs incurred on the development of new products;
- reporting to, and review by, the Board of changes in legislation and practices within the sector and accounting and legal developments pertinent to the Group;
- appointing experienced and suitably qualified staff to take responsibility for key business functions to ensure maintenance of high standards of performance; and
- appraisal and approval of proposed acquisitions by the Board.

Board Committees

The Board have delegated powers to Committees who operate under Terms of Reference approved by the Board annually. Each Committee has a Non-Executive Chair who provides reports to the full Board in their meetings.

The structure of our Committees is:

Nomination Committee Report

A well balanced Board is key to good governance and the Committee ensures that the requisite balance of skills, experience and backgrounds are represented."

Roger Parry
Nomination Committee Chair

Main areas of responsibility

- Succession planning for Board and Committee roles
- Composition of Board Committees
- Effectiveness of Directors

Members

Our Nomination Committee comprises the full Board:

Committee members	Role	Meetings
Roger Parry[1]	Chair	1 of 1
Rosemary Leith	Member	1 of 1
Ashley Martin	Member	1 of 1
Andrea Newman	Member	1 of 1
Nick Jones	Member	1 of 1
Ben Elliot[2]	Member	0 of 1
Stephan Shakespeare	Member	1 of 1
Alex McIntosh	Member	1 of 1
Sundip Chahal	Member	1 of 1

[1] Roger Parry chairs the Committee unless the matter at hand is the succession to the Chair, in which case the Senior Independent Director chairs the meeting.

[2] Ben Elliot was a member of the Committee until he retired from the Board on 13 September 2019.

I am pleased to present to you the report of the Nomination Committee for the year ended 31 July 2019.

Committee Membership

The whole Board acts as the Committee when the need arises. I chair the Committee, except when the Committee is dealing with the matter of succession to the Chair. On these occasions, the Senior Independent Director fulfils the role of Committee Chair.

Areas of responsibility

The Committee is responsible for:

- identifying the skills and experience required for the next stage in the Group's development;
- keeping close watch on succession planning and possible internal candidates for future Board roles; and
- providing assistance to the Chair of the Board (or, where appropriate, the Senior Independent Director), in taking steps to remove any underperforming Director.

In fulfilling its role, the Committee takes into account the outcome of any Board effectiveness evaluations.

Terms of Reference

The Committee operates under Terms of Reference agreed by the Board, which were reviewed in October 2018.

Activities in 2018/19

Activities during the year focussed on succession planning and changes to the Board and Committee composition:

- Succession planning: Following the major changes to the Board composition in 2017/18, the Board established sub-committees to focus on succession plans for the Chair and CEO roles. These sub-committees meet once annually, including in June 2019. Succession plans for all Board roles take into consideration the outcome of the annual board effectiveness evaluation process.
- Board Composition: As reported elsewhere in this Governance Report, Nick Jones and Ben Elliot both reached nine years' tenure during the reporting year. Following evaluation, the Committee established that they both remained independent in thought and judgement.
- Committee Composition: The Committee considered appropriate successors to the roles of Chair of the Audit & Risk Committee and Senior Independent Director, to succeed Nick Jones. For the role of Chair of Audit & Risk Committee, Ashley Martin was determined to hold the most relevant experience having previously chaired audit committees; he assumed the role in November 2019. For the role of Senior Independent Director, the Committee considered the length of service of each remaining Non-Executive Director. Rosemary Leith, being a highly experienced Director, was confirmed to be the appropriate successor and is expected to assume the role following the 2019 AGM.

I will be present at the AGM on 11 December 2019 should you have any questions about the activities of the Committee.

Roger Parry
Chair
Nomination Committee
8 October 2019

Audit & Risk Committee Report

“We were delighted to achieve ISO 27001 accreditation for our IT systems and processes.”

Ashley Martin
Audit & Risk Committee Chair

Main areas of responsibility

- Group financial reporting
- Independence of the external auditors
- Effectiveness of external audit process
- Systems of internal controls and risk management
- Appointment of external auditors for shareholders

Members

Our Audit & Risk Committee comprises entirely Non-Executive Directors:

Committee members	Role	Meetings
Ashley Martin	Chair	3 of 3
Rosemary Leith	Member	3 of 3
Ben Elliot[1]	Member	1 of 2
Nick Jones[2]	Former Chair, Former Member	3 of 3

[1] Ben Elliot was appointed to the Committee during the year on 1 January 2019. He remained a member until his retirement from the Board after the end of the reporting year on 13 September 2019.

[2] Nick Jones was Chair of the Committee until 1 November 2018 when he was succeeded by Ashley Martin. Nick remained a Member of the Committee until 31 December 2018.

I am pleased to present to you the report of the Audit & Risk Committee for the year ended 31 July 2019. This report provides an overview of the Committee's activities during the year. The reporting year has been my first year as Chair, following Nick Jones' retirement from the role. I would like to take the opportunity to thank Nick for his great contribution to the Committee over the past decade, and for continuing to support its activities during 2018/19.

Areas of responsibility

The Audit & Risk Committee reports to the Board on any matters in respect of which it considers that action or improvement is needed, and makes recommendations as to the steps to be taken.

In particular, the Committee is responsible for:

- ensuring that the financial performance of the Group is properly monitored and reported;
- reviewing formal announcements relating to financial performance;
- the relationship with external auditors, reviewing their independence, agreeing audit strategy and assessing the effectiveness of the external audit process;
- reviewing reports from the external auditors and management relating to the financial statements and internal control systems; and
- making recommendations to the Board in respect of the external auditors' appointment and remuneration.

Terms of Reference

The Committee operates under Terms of Reference agreed by the Board, which were reviewed in October 2018. The Terms of Reference reflect the Committee's additional responsibilities regarding risk. For more information on the risk review activities undertaken by the Committee during 2018/19, see pages 39 to 41.

Committee membership

Nick Jones retired from the role of Chair upon reaching ten years' tenure in November 2018. During the year, we welcomed Ben Elliot as an additional member. Nick remained as a member until 31 December 2018, ensuring continuity of historical company knowledge on the Committee, after which he attended meetings as a guest at invitation of the Chair. For information about the Chair's relevant experience, see the biography on page 47. The Board is satisfied that both Nick Jones and Ashley Martin, who have each served as Chair during the year, have recent and relevant financial experience.

Executive members of the Board attend meetings at the invitation of the Chair only.

The Chief Financial Officer, the Group Finance Director and the Group Head of Finance regularly attend meetings at the invitation of the Chair, together with other subject matter experts.

The Chair regularly meets with the external auditor and separately with the Chief Financial Officer and the Company Secretary. The Committee schedules time to receive the views of the external auditor without executive management being present.

Audit & Risk Committee Report continued

Financial reporting

In reviewing the Annual Report and Accounts, the Committee gives consideration to significant issues including Group materiality, whether the report gives a fair, balanced and understandable view of the Group's affairs for the year in question and whether the business remains a going concern. The Committee receives reports from management on these matters and senior managers, including the Chief Financial Officer, attend Committee meetings to be available to answer queries from members.

The key judgemental areas considered by the Committee in respect of the 2018/19 reporting were:

- Impairment of goodwill and intangible assets; and
- Capitalisation of internally generated intangible assets.

You can read more about how the external auditors view these matters in their report on pages 72 to 75.

Internal audit and controls assurance

Along with the Committee's oversight of the annual risk review process, the Committee has assessed the effectiveness of internal controls operating during the year and monitors implementation measures to improve the control environment.

The Committee were pleased to oversee the IT Security team's work to achieve ISO 27001, an international standard for information security management systems. During 2018/19, YouGov established an internal audit team specifically for ISO 27001. Our ISO 27001 internal auditors are not permitted to audit their own functions and the team is overseen by the Group Information Security Manager who tracks actions arising from the audits and works with the business to ensure they are completed. All internal auditors have received ISO 27001 Internal Auditor training by BSI Group, the Company's external auditors for ISO 27001. During the year, BSI Group verified that the internal audit team for ISO 27001 was adequately qualified and that the 2018/19 audits were effective. Our achievement of this globally recognised standard for information security reinforces our Company's commitment to the security of our client's data.

There was no further formal internal audit work undertaken during the year, although the accounting functions were subject to periodic internal review by Senior Management. As the Group continues to grow, the Committee will keep under review the need for a more formal assurance function. In order to assess the benefits that such a function might bring, the Committee has appointed KPMG to undertake an assurance review project on Cyber Security. I expect to report further on this area of assurance in next year's report.

Independence of external auditors

The Committee is responsible for agreeing the terms of engagement with the Company's external auditors PwC, including fees and scope.

The Committee also undertakes a formal assessment of the auditors' independence each year, which includes:

- confirmation of the auditor's objectivity and independence in the provision of non-audit services to the Group by the use of separate teams to provide such services where appropriate;
- discussion with the auditor's of a written report detailing their relationships with the Group and any other parties that could affect the independence or the perception of independence;
- a review of the auditor's own procedures for ensuring independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner; and
- obtaining written confirmation from the auditors that, in their professional judgement, they are independent.

The Company engages PwC to provide non-audit services where appropriate (see page 96), but to do so requires the approval of the Committee and the Audit Partner. PwC is only engaged for non-audit services where their expertise about the business is integral to the project. There is a clear delineation between PwC's audit teams and advisors on non-audit services, ensuring that the external auditors retain their independence.

Effectiveness of external auditor

During the year in which we saw a change in lead Audit Partner, the Committee Chair has been instrumental in the appointment of an appropriate partner with relevant industry experience. As this took place around the time of the change in Chair of the Committee, both Chairs took time to meet with the new partner separately.

After conclusion of the prior year (2017/18) full-year audit, the Committee conducted an in-house review of the effectiveness of the external audit process. This review took into account the views of all parties working with the external auditors including the wider finance team and the corporate secretariat. After review, it was concluded that the external auditors remain independent, objective, challenging and effective in their audit.

Policy on external auditor rotation

As an AIM-listed company, YouGov is not obliged to comply with the auditor rotation requirements for companies as set out in the Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019. PwC have been the Company's external auditor for 11 years and the Committee continues to be satisfied and has no immediate plans to re-tender. In keeping with best practice, it is Committee policy for the Audit Partner to be rotated every five years and this was undertaken during the reporting year.

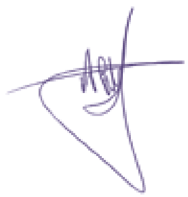
There are no contractual restrictions on our choice of external auditor.

Improvements to compliance policies

The Audit & Risk Committee is keen to ensure that the business provides a confidential forum in which it is possible for employees (or other interested parties) to raise concerns about impropriety or non-compliance. I am therefore pleased to report that this year we have overseen the implementation of a new Group Whistleblowing Policy for the Company. As Chair of the Audit & Risk Committee, I am available to any individual who should wish to discuss a concern. Along with the updated Group Anti-Bribery Policy and Group Treasury Policy, this policy has strengthened our compliance regime during the year.

Annual report and accounts

I will be available at the 2019 AGM to answer any questions that shareholders may have about the work of the Committee.



Ashley Martin
Chair
Audit & Risk Committee
8 October 2019

Remuneration Committee Report

“We have developed our new LTIP 2019 to continue to align the financial interests of management with the Group’s strategic objectives.”

Rosemary Leith
Remuneration Committee Chair

Main areas of responsibility

- Set the remuneration policy for Executive Directors
- Monitor, and make recommendations on, remuneration for senior management
- Oversee remuneration-related company policies

Members

Our Remuneration Committee comprises entirely of Non-Executive Directors:

Committee members	Role	Meetings
Rosemary Leith	Chair	8 of 8
Ashley Martin	Member	8 of 8
Andrea Newman[1]	Member	5 of 8
Nick Jones[2]	Former Member	7 of 8

1 Andrea Newman and Ashley Martin were appointed Members of the Committee from 1 January 2019.

2 Nick Jones was a Member of the Committee until 31 December 2018, after this date he has attended meetings at the invitation of the Chair.

I am pleased to present to you the Remuneration Committee Report for the year ended 31 July 2019.

Areas of responsibility

The Remuneration Committee sets the strategy, structure and levels of remuneration for the Executive Directors and reviews the remuneration of senior management. The Committee does so in the context of aligning the financial interests of the Executive Directors, management and employees with the achievement of the Group’s stated strategic objectives.

Committee membership

During the year, Andrea Newman and Ashley Martin became members of the Committee, further expanding the areas of expertise of our members. Nick Jones stepped down from the Committee on 31 December 2018.

Remuneration Policy

The Remuneration Policy at YouGov is designed to reward employees within a structure that reflects both Company and personal performance. It is policy to set base salaries at normal market levels (or lower market levels for the Executive Directors) and to offer in addition an annual cash bonus opportunity linked to pre-determined objectives (or a commission plan for some roles). Share awards are offered to selected employees under long-term incentive plans that are designed to support the Company’s strategic goals and reward the individual’s contribution to value creation. In developing the new YouGov Long-Term Incentive Plan 2019 (“LTIP 2019”), the Remuneration Committee consulted with its major shareholders, all of which confirmed they were supportive of the plan.

Gender Pay Gap

During the reporting year, the Committee has worked closely with management to progress the work to reduce the gender pay gap at YouGov. I was pleased to support the Company’s first “Minding the Gap” event in April 2019, a forum for employees to participate in the development of the Company’s gender pay gap action plan. In the coming year, the Committee will continue to be responsible for oversight of the action plan and will support related initiatives. For more information on our work to reduce the gender pay gap, see page 66.

LTIP 2014 & LTIP 2019

Awards granted under the YouGov Long-Term Incentive Plan 2014 (“LTIP 2014”), aligned to the five-year strategic growth plan for 2014–19 (“FYP1”), are due to vest in November 2019, to the extent the stretching performance targets have been achieved. YouGov has delivered exceptional performance over the FYP1 performance period (from 1 August 2014 to 31 July 2019), with compound annual growth in adjusted basic earnings per share[1] of 29%, and compound annual growth in share price of 38% compared to 4% in the FTSE AIM All Share Index over the same period. For more information on this plan, see page 60.

During the year, a new long-term incentive plan linked to the new strategic growth plan to 2023 (“FYP2”) was approved by the Board. The YouGov Long-Term Incentive Plan 2019 (“LTIP 2019”) has been designed to incentivise the achievement of stretching long-term targets that define FYP2. The Board believes the new strategic growth plan can deliver significant value for our shareholders. For more information on this new plan, see pages 58 and 59.

1 As defined at the start of the FYP1 performance period: excluding the impact of amortisation, share based payment charges, imputed interest and separately reported items.

Annual report on remuneration

As an AIM-listed company, YouGov is not obliged to comply with the remuneration reporting requirements for companies as set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. However, the Remuneration Committee has taken note of those elements of the Regulations which it considers are appropriate to the Company and certain disclosures in this section reflect the requirements of the regulations.

I will be available at the 2019 AGM to answer any questions that you may have about the work of the Committee.

Rosemary Leith
Chair
Remuneration Committee
8 October 2019

Directors' Remuneration Policy

The following section of this report describes our remuneration policy for YouGov's Executive and Non-Executive Directors.

Executive Directors

The Remuneration Committee reviews the performance of Executive Directors and sets the scale and structure of their remuneration and the basis of their service agreements with due regard to the interests of shareholders. In determining that remuneration, the Remuneration Committee seeks to offer a competitive remuneration structure to maintain the high calibre of its Executive Directors. The Committee believes that maintaining the Group's business growth and profit record requires an overall compensation policy with a strong performance-related element.

Base salary	
Purpose and link to strategy	Provides a core level of reward for the completion of Executive Directors' duties. Set at a level that allows us to attract and retain employees of a sufficient calibre to drive the Company's success.
Maximum opportunity	There is no maximum salary limit. When considering salary levels, the Committee will consider the specific nature and responsibilities of the role at YouGov, the capabilities and experience of the individual, as well as pay levels in relevant talent markets.
Operation	The Committee's policy is to review salaries annually. Basic salary for each Director is determined by the Remuneration Committee taking into account the performance of the individual and external market data. Salary increases will be in line with increases awarded to other employees in the Group. However, the Remuneration Committee may exercise discretion to take into account individual circumstances or market data.
Performance framework	Not applicable.

Pension	
Purpose and link to strategy	Provides Executive Directors' with long-term savings for their future.
Maximum opportunity	Executive Directors are eligible for the standard company pension contributions (or equivalent cash payments in lieu) of up to 5% of base salary.
Operation	Where applicable, payments are made directly to a nominated pension scheme or, if payments are made in cash, they are delivered monthly through payroll.
Performance framework	Not applicable.

Directors Remuneration Policy continued

Other benefits

Purpose and link to strategy	Provision of benefits in line with the Executive Directors' local market and those offered to the wider workforce in that market.
Maximum opportunity	There is no defined maximum value for benefits, but the Committee will consider the aggregate value of any such benefits when determining what should be offered.
Operation	Executive Directors are eligible to a range of benefits, including private healthcare and any other benefit deemed appropriate by the Committee. Any reasonable business-related expenses may be reimbursed, including any taxes payable thereon if determined to be a taxable benefit.
Performance framework	Not applicable.

Annual bonus plan

Purpose and link to strategy	The annual bonus plan is focussed on the achievement of the Group's short-term objectives, in complement to the LTIP which is focussed on the achievement of the Group's long-term objectives. The bonus plan for the reporting year was linked specifically to Group adjusted operating profit performance, one of the Group's Key Performance Indicators.
Maximum opportunity	Executive Directors are eligible for a maximum annual bonus of 150% of base salary per annum. The Committee will determine an appropriate award size each year within this parameter.
Operation	Bonuses are paid in cash each year after the publication of the audited financial statements.
Performance framework	The Remuneration Committee sets annual bonus targets for the Executive Directors linked to the annual budgeted Group adjusted operating profit; this is complemented by an LTIP which is designed to incentivise management for the achievement of long-term earnings growth.

Long-term share incentive plans

YouGov Long-Term Incentive Plan 2019 ("LTIP 2019")

Purpose and link to strategy

The Board believes that share ownership by the Executive Directors' strengthens the link between their personal interests and those of the shareholders in respect of shareholder value. It therefore established long-term incentive plans designed to reflect an individual employee's contribution to long-term value creation.

From 2020 onwards, awards will be granted under the LTIP 2019. This plan is intended to incentivise and reward for the achievement of the long-term targets that define the Company's strategic growth plan, FYP2.

Maximum opportunity

The maximum total number of shares which may ordinarily be granted to a participant over the life of the plan will be determined by reference to their salary and the share price at the start of the plan; the award level opportunities vary by participant.

The Executive Director award level opportunities are as follows:

Role	Award Level Opportunity (Maximum Total Cumulative Award Value as a % of Base Salary in 2019)
Chief Executive Officer	1200%
Other Executive Directors	600%

In addition to the Executive Directors, a selected number of employees from across the Group will also participate in the LTIP 2019, at lower award level opportunities.

YouGov Long-Term Incentive Plan 2019 ("LTIP 2019") continued

Operation

Awards will be granted in three equal tranches: Award I, Award II and Award III in October 2020, 2021 and 2022 respectively (together the "LTIP 2019 Awards").

Awards will normally be in the form of nil-cost options.

The grant of an award in each of these years will be conditional upon the achievement of specific and demanding personal performance objectives to be satisfied in the financial year preceding the grant of awards. The personal performance objectives for the Executive Directors granted awards will be disclosed in the Annual Report and Accounts of the relevant reporting year.

The normal vesting date for all LTIP 2019 Awards will be the date of the public announcement of YouGov's annual results for the financial year ended 31 July 2023, expected to be in October 2023.

The Executive Directors will be required to retain any vested shares acquired under the LTIP 2019 (either on an unexercised or net of tax basis) until at least the first anniversary of the vesting of the awards.

Awards under the plan will be subject to malus in circumstances where there has been a material misstatement, a material failure of risk management or serious reputational damage to the Company.

Awards held by good leavers (death, ill-health, injury, redundancy, retirement with the consent of the Remuneration Committee, transfer of employing business or as otherwise determined by the Committee) will normally vest on the normal vesting date and be pro-rated for time.

Awards held by other leavers will lapse on termination of employment.

In the event of a change of control, awards will vest based on performance achieved to that date and normally be pro-rated for time.

Performance framework

The key performance metric for the awards will be compound annual growth in adjusted basic earnings per share[1] ("EPS").

Compound annual growth in EPS will be defined in accordance with the Company's reported accounting policies, and will exclude exceptional and non-recurring items.

Performance will be measured over four years using the financial year ended 31 July 2019 as a base year.

The vesting of awards will dependent on YouGov's EPS growth as follows:

4 Year Adjusted Basic EPS CAGR[1]	% of award vesting
Below 10%	Nil
Between 10% and 15%	Pro-rata between 10% and 25%
Between 15% and 35%	Pro-rata between 25% and 100%
35% or above	100%

For performance between threshold, target and stretch levels, vesting will occur on the basis of a sliding scale.

In addition, a discretionary underpin will be applied based on the quality of the underlying financial performance of the Company from 2019–23. This shall include, but not be limited to, the average of the adjusted operating profit margin[1] being at least 15% over the period. The application of the underpin by the Committee may reduce the vesting level of the LTIP 2019 awards, potentially to nil.

[1] As defined in explanation of Non-IFRS measures on page 38.

Directors Remuneration Policy continued

YouGov Long-Term Incentive Plan 2014 ("LTIP 2014")

The LTIP 2014 was established to incentivise senior leadership for the achievement of the Company's five-year plan for 2014-19.

The participants are the Executive Directors and a small group of senior managers whom the Board considers have a key role to play in the delivery of YouGov's strategic plans. LTIP 2014 is designed to reward the participants for the achievement of highly demanding EPS growth targets over the five-year period ending 31 July 2019.

Under the rules of this plan, participants are conditionally awarded nil cost options to acquire shares (or conditional stock awards, if US residents). The awards are granted in three equal tranches over 2015/16 to 2017/18. Receipt of an award in each of these years is dependent upon the achievement of specific and demanding personal performance objectives for the previous financial year.

The award vesting conditions (detailed below) include EPS targets and an operating profit margin target and the Remuneration Committee's assessment of the Group's underlying financial performance over the plan period.

Vesting of awards is dependent on the Group achieving the targets for compound EPS growth in the plan period as set out in the table below:

5 Year Adjusted Basic EPS CAGR[1]	% of Award vesting
Below 10%	Nil
10%	15%
15%	30%
25%	100%

[1] As defined at the start of the FYP1 performance period: excluding the impact of amortisation, share based payment charges, imputed interest and separately reported items.

Vesting of awards is also dependent on the Group's average operating margin being at least 12% over the five-year period. If this underpin condition is not achieved, the shares awarded will not vest. If it is met, then the five-year EPS growth performance will be assessed against the targets set out in the table above.

The maximum total number of shares to be awarded to each participant over the five years of the plan is determined by reference to their salary and the share price at the start of the plan; the award level opportunities vary by participant. The Executive Director award level opportunities are as follows:

Role	Award Level Opportunity (Maximum Total Cumulative Award Value as % of Base Salary in 2015)
Chief Executive Officer	850%
Other Executive Directors	500%

In addition, the Chief Executive Officer is entitled to an enhanced award if the Company's share price grows by more than 200% over the five-year period and if the other vesting conditions are also met in full. This additional award equates to 255% of his annual salary in the year ended 31 July 2015. The combined maximum potential award for the Chief Executive Officer is thus 1,105% of his annual salary.

No share options were granted under the LTIP 2014 in the year ended 31 July 2019.

YouGov Long-Term Incentive Plan 2009 ("LTIP 2009")	
	From 2009-14, the Executive Directors and senior managers of the Company and its subsidiaries were eligible to participate in the LTIP 2009. Under the rules of this plan, participants are conditionally awarded nil cost options to acquire shares (or conditional stock awards, if US residents). The number of such shares awarded is normally calculated by reference to a percentage of the participant's salary and the Company's closing share price for an appropriate reference period. The shares subject to the awards are to be released to the recipients at the end of a holding period, normally three years, subject to their continued employment. The performance criteria attached to these awards relate to EPS growth and Total Shareholder Return ("TSR") versus companies in the AIM Media Index. The final round of awards granted under the LTIP 2009 vested in 2016. No share options were granted under the LTIP 2009 in the year ended 31 July 2019.

YouGov Deferred Share Bonus Plan 2014 ("DSBP 2014")	
	A Deferred Share Bonus Plan was established in 2014, for senior managers in the Group who did not participate in the LTIP 2014. This plan entitles participants to an award of shares which must be retained for a period of two years and whose vesting is subject to their continued employment during that time. The value of the award will be linked to the assessment of performance made in determining their annual bonus or their achievement of specific personal performance objectives for the prior financial year. The maximum award level will normally be 10% of basic salary, awarded annually. The final round of awards under DSBP 2014 is due to be granted in November 2019, in respect of the participants' personal performance in the financial year to 31 July 2019. The LTIP 2014 and DSBP 2014 will be succeeded by the LTIP 2019. 99,632 share options were granted under the DSBP 2014 in the year ended 31 July 2019, none of which were granted to Executive Directors of the Company.

Non-Executive Directors

The remuneration of the Non-Executive Directors is set by the Board as a whole. The Board believes that ownership of the Company's shares by the Non-Executive Directors helps to align their interests with those of the Company's shareholders. Accordingly, the Company's policy is that a proportion of each Non-Executive's fee will be paid in the form of Ordinary Shares in lieu of cash, save if the Non-Executive Director has an existing substantial shareholding.

During the reporting year, £20,000 of the Chair's fee and £5,000 of the Non-Executive Directors' fee were paid in shares; this amounted to 10,115 shares in total (2018: 10,191 shares) as detailed in the Directors' remuneration table overleaf:

Fees	
Purpose and link to strategy	Supports recruitment and retention of Non-Executive Directors with the required skills and experience.
Maximum opportunity	Aggregate fees are subject to the limit set out in the Articles of Association.
Performance framework	Not applicable.

Annual Report on Remuneration

A resolution will be put to the shareholders at the AGM to be held on 11 December 2019, inviting them to consider and approve this report. The remuneration report is unaudited, except where stated. This is not a remuneration report as defined by Company Law.

Directors' remuneration (audited)

Directors' remuneration in aggregate for the year ended 31 July 2019 was as follows:

Name	Salary/Fee £	Annual Bonus £	Pension Contribution £	Benefits-in-kind £	**Total 31 July 2019 £**	Total 31 July 2018 £
Executive Directors*						
Stephan Shakespeare	263,979	291,961	25,253	41,785[i]	**622,978**	566,334
Alex McIntosh[1]	190,242	210,407	–	1,185[ii]	**401,834**	244,870
Sundip Chahal[2]	230,103	254,493	17,824	49,605[iii]	**552,025**	322,297
Non-Executive Directors**						
Roger Parry	100,000				**100,000**	100,000
Nick Jones[3]	39,958				**39,958**	42,000
Ben Elliot[4]	37,917				**37,917**	35,000
Rosemary Leith	44,917				**44,917**	42,000
Andrea Newman[5]	37,917				**37,917**	19,577
Ashley Martin[6]	40,667				**40,667**	–
Totals					**1,878,213**	1,372,078

Notes

* The CEO is paid 15% GBP: 85% AED. The CFO is paid 100% GBP. The COO is paid 100% AED. For the purpose of this report, remuneration paid in AED has been translated into GBP at a rate of 1 GBP: AED 4.7306, being the average exchange rate during the reporting period. Executive Directors' received a salary increase of 3.4% with effect from 1 October 2018, approved by the Remuneration Committee.

** All NEDs are paid 100% GBP. During the year, the NED fees were increased with effect from 1 January 2019, a SID fee was introduced from 1 July 2019, and all NEDs received part of their fee in shares as outlined overleaf.

1 Alex McIntosh was appointed to the Board on 6 December 2017 and therefore his remuneration disclosure for 2017/18 was pro-rated.

2 Sundip Chahal was appointed to the Board on 6 December 2017 and therefore his remuneration disclosure for 2017/18 was pro-rated.

3 Nick Jones ceased to be Chair of the Audit & Risk Committee on 31 October 2018. Fee for SID role applied from 1 July 2019.

4 Ben Elliot retired from the Board after the end of the reporting year, on 13 September 2019.

5 Andrea Newman was appointed to the Board on 6 December 2017 and therefore her remuneration disclosure for 2017/18 was pro-rated.

6 Ashley Martin was appointed to the Board on 1 September 2018 and appointed as Chair of the Audit & Risk Committee on 1 November 2018.

i The benefit-in-kind received consists of private health care, family travel allowance and living accommodation allowance.

ii The benefit-in-kind received consists of private health care.

iii The benefit-in-kind received relate to expatriate benefits, including family visas, private health care, family travel allowance and dependants' school fees.

No payments were made to any past Directors and no payments for loss of office were made.

No Executive Director received any remuneration in the year in respect of external non-executive appointments.

It is Company policy is that part of the Non-Executive Directors' fee are paid in the form of Ordinary Shares in lieu of cash. During the year, the Non-Executive Directors were paid in shares as detailed below:

Name	Title	Shares issued
Roger Parry	Non-Executive Chair	4,495
Nick Jones	Non-Executive Director	1,124
Ben Elliot	Non-Executive Director	1,124
Rosemary Leith	Non-Executive Director	1,124
Andrea Newman	Non-Executive Director	1,124
Ashley Martin	Non-Executive Director	1,124

Executive Directors' share options (audited)

The following unexercised nil cost options over shares were held by Directors:

Plan	Date of grant	Earliest exercise date	Expiry date	Number at 31 July 2018	**Awarded in year**	Exercised in year	**Number at 31 July 2019**
Stephan Shakespeare							
LTIP 2009	7 April 2014	17 October 2016	6 April 2024	262,185	–	–	**262,185**
LTIP 2014	9 December 2015*	14 October 2019	8 December 2025	544,976	–	–	**544,976**
LTIP 2014	9 December 2015	14 October 2019	8 December 2025	575,253	–	–	**575,253**
LTIP 2014	17 November 2016	14 October 2019	16 November 2026	605,529	–	–	**605,529**
LTIP 2014	12 December 2017	14 October 2019	11 December 2027	605,530	–	–	**605,530**
				2,593,473	–	–	**2,593,473**
Alex McIntosh							
LTIP 2009	29 July 2010	15 October 2012	28 July 2020	14,527	–	–	**14,527**
LTIP 2009	21 July 2011	14 October 2013	20 July 2021	17,500	–	–	**17,500**
LTIP 2009	30 July 2012	13 October 2014	29 July 2022	15,326	–	–	**15,326**
LTIP 2009	7 April 2014	17 October 2016	6 April 2024	11,517	–	–	**11,517**
LTIP 2014	9 December 2015	14 October 2019	8 December 2025	86,486	–	–	**86,486**
LTIP 2014	17 November 2016	14 October 2019	16 November 2026	86,486	–	–	**86,486**
LTIP 2014	12 December 2017	14 October 2019	11 December 2027	86,487	–	–	**86,487**
LTIP 2014	3 April 2018	14 October 2019	11 December 2027	191,291	–	–	**191,291**
				509,620	–	–	**509,620**
Sundip Chahal							
LTIP 2014	9 December 2015	14 October 2019	8 December 2025	120,412	–	–	**120,412**
LTIP 2014	17 November 2016	14 October 2019	16 November 2026	120,412	–	–	**120,412**
LTIP 2014	12 December 2017	14 October 2019	11 December 2027	120,411	–	–	**120,411**
LTIP 2014	3 April 2018	14 October 2019	11 December 2027	204,748	–	–	**204,748**
				565,983	–	–	**565,983**

* LTIP 2014 CEO's enhanced award, as described on page 60.

Annual Report on Remuneration Report continued

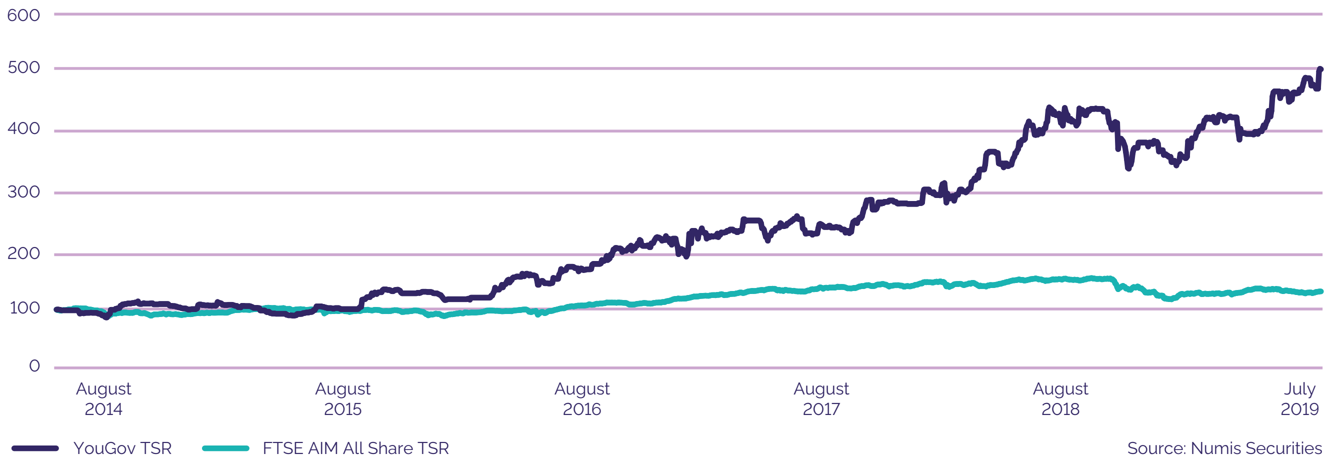
Statement of directors' shareholding and share interests

	Unvested share options[1]	Vested but unexercised share options[1]	**Total interest in share options[1]**	Ordinary Shares beneficially owned	**Total Interest in Shares**
Executive Directors					
Stephan Shakespeare	2,331,288	262,185	**2,593,473**	7,417,556	**10,011,029**
Alex McIntosh	450,750	58,870	**509,620**	8,978	**518,598**
Sundip Chahal	565,983	–	**565,983**	311,008	**876,991**
Non-Executive Directors					
Roger Parry	–	–	**–**	106,956	**106,956**
Nick Jones	–	–	**–**	22,968	**22,968**
Ben Elliot	–	–	**–**	22,968	**22,968**
Rosemary Leith	–	–	**–**	11,819	**11,819**
Andrea Newman	–	–	**–**	2,398	**2,398**
Ashley Martin	–	–	**–**	6,741	**6,741**

[1] All share options subject to vesting performance conditions.

Total Shareholder Return

The chart below compares the value of £100 invested in YouGov plc shares (including reinvested dividends) on 1 August 2014, compared to the equivalent investment in the FTSE AIM All Share Index, over the last five financial years.



Directors' service contracts

The table below summarises key details in respect of each Director's service contract.

Executive Directors	Title	Contract date	Notice period
Stephan Shakespeare	Chief Executive Officer	18 April 2005	12 months
Alex McIntosh	Chief Financial Officer	21 March 2018	6 months
Sundip Chahal	Chief Operating Officer	21 March 2018	6 months

Non-Executive Directors	Title	Date of initial appointment	Notice period
Roger Parry	Non-Executive Chair	6 February 2007[1]	30 days
Nick Jones	Non-Executive Director	2 June 2009	30 days
Ben Elliot[2]	Non-Executive Director	2 August 2010	30 days
Rosemary Leith	Non-Executive Director	1 February 2015	30 days
Andrea Newman	Non-Executive Director	6 December 2017	30 days
Ashley Martin	Non-Executive Director	1 September 2018	30 days

[1] Roger Parry's appointment was effective from 15 January 2007 as confirmed in the letter of appointment dated 6 February 2007.

[2] Ben Elliot retired as Director on 13 September 2019.

Environmental, Social & Governance Report

The Board recognises the importance of environmental, social and governance factors when measuring the sustainability and ethical impact of the Company. We want YouGov to be recognised as an organisation that is transparent and ethical in all our dealings, as well as making a positive contribution to the environment and communities in which we operate. We are mindful of the Group's impact on all our stakeholders including employees, panellists, clients, suppliers, shareholders, local communities, wider society and the environment. For more information on our stakeholders, see page 8.

Community

YouGov recognises the importance of respecting and supporting the communities in which it operates, and of making a positive contribution to society through its work. A key part of our new five-year plan is the dissemination of public data. It is an ambition for YouGov data to be used by millions of people as a daily public resource. This is demonstrated by our new YouGov Ratings tool which is available on our consumer website at yougov.co.uk/ratings.

In line with our commitment to diversity and inclusion, YouGov is delighted to be the principal sponsor of the Market Research Society ("MRS") Pride 2020. Building a relationship of trust and respect with people is core to our daily work of representing the entire population, and it is fundamental to our relationships within the professional community as colleagues. For more information on our involvement in MRS Pride to date, see overleaf.

We appreciate the important of contributing both our time and money to charities and it is our intention to formalise this process in the coming year. Our employees globally have supported a number of charities and community initiatives during the year.

Suppliers

YouGov aims to pay all its suppliers within a reasonable period of their invoices being received and approved, provided that the supplier has performed in accordance with the relevant terms and conditions. Work has taken place during 2018/19 to assess our supplier on boarding process. We are working to formalise this process using technology and additional resource on the Governance team. We expect to be able to report in more detail in our 2019/20 report. For the financial year ended 31 July 2019, the Company is not required to report on payment practices, policies and performance under Section 3 of Small Business, Enterprise and Employment Act 2015.

Privacy and Security

YouGov is in the business of online research and data analytics. The security and privacy of our data is paramount to our business. YouGov expects employees, and those who we work with, to exercise high rigour when it comes to safeguarding the data of all stakeholders, including personal and client confidential data.

To reinforce our commitment to the privacy and security of data and information, our Governance team includes a Group Data Protection Officer and Group Information Security Manager. These roles work alongside Group Head of Governance, Group Head of IT, the Legal team and the Corporate Secretariat to ensure that that the Group's policies and procedures on privacy and security are to a high standard. The role of the Group Information Security Manager is split between the Governance and IT teams to ensure close collaboration between the two business functions. We have implemented compulsory data protection and cyber security e-learning programs for all employees in the Group. We monitor the results and completion rates of this training. During 2018/19, we implemented a training policy which ensures that disciplinary action can be taken if an employee fails to complete their required training, supported by our HR team and the Chief Operating Officer.

To prepare for the EU General Data Protection Regulation ("GDPR") which came into force in May 2018, YouGov established a cross-functional GDPR Compliance team which led an internal compliance programme endorsed by the Board. As part of this programme, the Group's Data Protection and IT Security policies were refreshed, in compliance with GDPR as well as other relevant legislation. Our privacy and security teams continue to keep our policies under review, to ensure compliance with new legislation.

There have been seven meetings of the Data Protection & Security Committee and 11 meetings of the Information Security Committee during the year. These committees consist of members from senior management, including the Chief Operating Officer. Both committees include representatives from around the business such as IT, Governance, Legal and Panel. These committees meet on a regular basis throughout the year and are formally minuted.

We continue to refresh training, policies and procedures regularly, to keep ahead of the evolving global data protection and security landscape. You can see more information about approach to Privacy and Security on our new corporate website, at corporate.yougov.com/compliance/privacy-security.

Environmental, Social & Governance Report continued

Diversity in the workplace

YouGov is committed to providing a working environment in which its employees are able to realise their potential and to contribute to business success irrespective of gender, marital status, ethnic origin, nationality, religion, disability, sexual orientation or age. YouGov UK are pleased to be a Diversity Champion with Stonewall and committed to the Disability Confident employment scheme.

BeYou at YouGov

YouGov's internal diversity network, BeYou, was founded in 2018 and aims to encourage all people at work to be themselves. BeYou is an intersectional collective space for all under-represented groups to connect and support one another.

A number of BeYou's UK-based members are on the MRS Pride steering committee. MRS Pride is a network uniting LGBTQ+ talent across the UK market research sector, and is at the forefront of establishing best practice guides for conducting inclusive research. Such guides, as well as contributions from BeYou network members, help to inform YouGov's approach to surveying minority groups and to ensure the inclusivity of our research. YouGov is proud to be a principal sponsor of MRS Pride 2020.

In the reporting year, the BeYou network has:

- Arranged a panel event to celebrate International Women's Day, featuring senior female employees in the Company who spoke about their experiences of being a woman in research;
- Published a monthly newsletter featuring industry news, best practice advice on inclusive research, local events, and links to media on diversity research;
- Attended the launch event for MRS Pride and maintained an ongoing steering influence with the industry network; and
- Raised money for "The Outside Project", a charity for homeless LGBTQ+ youth which is based locally to YouGov's London office.

One of BeYou's aims for the coming year is to maintain the Company's relationship with charities and arrange for representatives to speak to YouGov staff on a range of issues.

Gender Pay Gap Reporting

YouGov published its first UK gender pay gap report in 2018 on a voluntary basis. We were pleased to publish our second report in 2019, which we feel reflects a more evolved approach to tackling the gender pay gap in our business.

Prior to publication of our UK gender pay gap report in 2019, we held a "Minding the Gap" event at our London office. This half-day event was led by a cross-functional team from HR and Governance, and consisted of workshops and presentations from senior women in the Company (including Rosemary Leith, Chair of the Remuneration Committee) about the experience of being a woman in YouGov. Participation in "Minding the Gap" was open to any interested UK-based employees, regardless of gender identity. The purpose of the event was to engage with employees and understand their views on on the pay gap and their thoughts on why it exists at YouGov.

From this event, we have developed an action plan which the business is now working to implement. While it is recognised that the gender pay gap is not one that can easily be reduced, all actions are expected to improve the experience of women in YouGov globally and also to encourage broader diversity in the Group.

The Board's Remuneration Committee oversees the assessment and reporting of the Company's gender pay gap information and reviews progress against the action plan.

To view our UK Gender Pay Gap Information Reports, visit: corporate.yougov.com/governance/esg

Engagement with panellists

The YouGov Global Panel is our largest stakeholder group, at over 8 million individuals globally, and is essential to our success. For information on how our stakeholders fit into our business model, see pages 12 and 13. Engaged, diverse and opinionated panellists are key to our business. Keeping panellists engaged is central to what we do, and we have a global Panel team dedicated to doing just that.

We work to continually improve the panellist experience, developing new technology and support, the panellist experience, such as:

- Investing in new technology to ensure that when a panellist cashes in the points earned for sharing their opinion, they receive their reward within hours; and
- Developing a highly effective system of alerting panellists when their opinion "becomes the news". We are fortunate that our research is widely covered in international media, which allows us to tell panellists that they are contributing to the global debate on issues of importance.

Employee involvement

Our employees are an integral part of our business. We recognise the benefits of keeping employees informed on matters which affect them and the wider business, such as financial factors impacting the performance of the Company and developments in the industry. Engaged and informed employees are productive employees.

We have in place global and regional policies which outline our expectations for employee behaviour, and what our employees can expect to receive from us as their employer.

During 2018/19, we ran a global all-employee engagement survey and were delighted to achieve a response rate of 86%. Using the survey results, we created an action plan to improve the employee experience at YouGov. The action plan includes both short-term and long-term plans including:

Area	Short-Term Plans	Long-Term Plan
Reward & Recognition	Hold focus groups to deep dive into employee views on the Group's reward and benefit structure.	Make improvements in organisational design and Learning & Development offerings to improve and support career path planning.
Learning & Development	Roll-out of the UK's YOUniversity program globally.	Explore a global mentoring program.
Internal Communications	Run regular global Town Halls with the Senior Leaders.	Launch a global virtual learning platform.

Details of how employees are kept engaged in the financial and economic factors of the business are outlined in the Directors' Report on page 68.

Employee wellbeing

YouGov is committed to ensuring that our employees have a strong sense of support and wellbeing at work. It is our mission to achieve a valued and productive workforce by implementing a culture of care, increasing employees' skills and building the outlook required to deal with the pressures of the modern workplace. As we recognise that many individuals have various responsibilities at home, or complicated commutes, we offer remote working as standard in many roles, as long as it does not affect business needs. This often enables employees to achieve a better work/life balance than the traditional 9-to-5 office hours, which in turn increases productivity. In London, our newly re-fitted office space has been designed to encourage less traditional ways of working.

Health and safety

YouGov takes all reasonable and practicable steps to safeguard the health, safety and welfare of its employees. We recognise our responsibility for the health and safety of those who may be affected by our activities, and take care to operate in a safe and secure manner.

Ethical behaviour

YouGov expects its employees to exercise high professional, ethical and moral standards at all times while representing the Group. The Group maintains an awareness of human rights issues and observance of pertinent law and we reflect this in our suite of policies which includes our Group Whistleblowing Policy and Group Anti-Bribery Policy.

Our statement on Modern Slavery in our supply chain is available at: corporate.yougov.com/modernslavery.

Environment

YouGov recognises that the prudent use of resources delivers both environmental and financial benefits. We aim to promote the maintenance of a healthy environment through responsible and sustainable consumption. Our operations are predominantly office-based and here we try to minimise our impacts where practicable.

In the UK, where our head office is located, we are pleased to have participated in Environment Savings Opportunities Scheme ("ESOS") scheme this year. Our report is expected to be published by December 2019 and we plan to report on any opportunities for improvement identified by the ESOS report in our 2019/20 Annual Report and Accounts.

As a business, we undertake to:

- store and dispose of waste responsibly, and recycle where possible;
- use paper that originates from reputable managed forests;
- comply with the relevant packaging and waste regulations; and
- minimise air travel by utilising conference and video calling technology.

Directors' Report

for the year ended 31 July 2019

The Directors present their report and the audited consolidated financial statements for the year ended 31 July 2019.

Operating results

The financial and operational performance of the Group is discussed on the inside front cover.

Financial summary

The financial summary is discussed on pages 34 to 38 of the Chief Financial Officer's report.

Key performance indicators

Performance measured against key performance indicators is discussed on page 34.

Principal risks and uncertainties

The principal risks and uncertainties are discussed on pages 39 to 41.

Financial risks

The financial risks facing the Group are discussed in more detail in Note 20 on pages 115 to 117.

Dividends

A final dividend of 3.0p per share in respect of the year ended 31 July 2018 was paid on 17 December 2018, amounting to a total payment of £3,167,481. A dividend of 4.0p per share in respect of the year ended 31 July 2019, amounting to a total payment of £4,229,240 will be proposed at the Annual General Meeting on 11 December 2019.

Prospects

The Board's assessment of the Company's position and prospects are set out in the Chair's statement on pages 6 and 7, the Chief Executive Officer's review on pages 32 and 33 and the Chief Financial Officer's report on pages 34 to 38.

Future developments

Future developments are discussed in more detail in the Chief Executive Officer's review on pages 32 and 33.

Events after the reporting date

On 30 August 2019, we announced that Ben Elliot had notified the Company of his retirement from the Board with effect from 13 September 2019.

On 27 September 2019, we announced that Nick Jones would not submit himself for re-election at the 2019 AGM and would therefore retire from the Board on 11 December 2019, and that Rosemary Leith would succeed him as Senior Independent Director upon his retirement.

Directors

The Directors of YouGov plc who were in office during the year and at any point up to the date of signing this report were:

Name	Title	Role	
Stephan Shakespeare	Chief Executive Officer	Executive	
Alex McIntosh	Chief Financial Officer	Executive	Appointed 6 December 2017
Sundip Chahal	Chief Operating Officer	Executive	Appointed 6 December 2017
Roger Parry	Non-Executive Chair	Non-Executive	
Nick Jones	Non-Executive Director	Non-Executive	
Ben Elliot	Non-Executive Director	Non-Executive	Retired 13 September 2019
Rosemary Leith	Non-Executive Director	Non-Executive	
Andrea Newman	Non-Executive Director	Non-Executive	Appointed 6 December 2017
Ashley Martin	Non-Executive Director	Non-Executive	Appointed 1 September 2018

Treasury shares

The total number of shares held in treasury at 31 July 2019 was nil (2018: nil). The YouGov Employee Benefit Trust holds shares to facilitate the settlement of awards under employee share schemes. These are not considered Treasury Shares under company law.

Authority to purchase the Company's shares

At the AGM on 12 December 2018, shareholders authorised the Company to make one or more market purchases of up to 10,549,181 of the Company's Ordinary Shares to be held in treasury at a price between 2.0p (exclusive of expenses) and 105% of the average closing middle market price of a share for the five business days immediately preceding the date on which the share is purchased. No purchases were made during the year with the exception of purchases made by the Employee Benefit Trust described below. The Directors propose to renew this authority at the 2019 AGM.

Employee Benefit Trust

In February 2019, we announced that we had appointed Sanne Fiduciary Services Limited ("Sanne") as Trustee of the YouGov Employee Benefit Trust (the "Trust") to commence a programme of share purchases. The purpose of these purchases is to facilitate the settlement of awards under the Company's current employee share schemes, namely the Long-Term Incentive Plan 2014 and the Deferred Share Bonus Plan 2014. At 31 July 2019, the YouGov Employee Benefit Trust held 755,000 YouGov plc Ordinary Shares.

Directors' interests in shares

The interests of the Directors in the shares of the Company as at 31 July 2019 and 31 July 2018 were as follows:

	As at 31 July 2019 Number of Shares	As at 31 July 2018 Number of Shares
Stephan Shakespeare[1]	**7,417,556**	7,417,556
Alex McIntosh	**8,978**	8,918
Sundip Chahal	**311,008**	293,164
Roger Parry	**106,956**	94,961
Nick Jones	**22,968**	21,844
Ben Elliot[2]	**22,968**	21,844
Rosemary Leith	**11,819**	10,695
Andrea Newman	**2,398**	1,274
Ashley Martin[3]	**6,741**	–

1 Includes 559,404 Ordinary Shares held by Stephan Shakespeare's wife, Rosamund Shakespeare.

2 Retired from the Board on 13 September 2019, after the reporting year ended.

3 Appointed to the Board on 1 September 2018.

There have been no changes to Directors' interests in shares since the financial year-end. The Directors' interests in share options are detailed in the Annual Report on Remuneration on pages 63 and 64.

Major Shareholders

At 31 July 2019, the Company was aware of the following interests in 3% or more of the nominal value of the Company's shares:

Shareholder	**Shares**	**% Issued Share Capital**
Liontrust Asset Management	17,324,925	16.39%
BlackRock	12,192,247	11.53%
Octopus Investments	9,932,979	9.40%
Aberdeen Standard Investments	9,144,971	8.65%
T Rowe Price Global Investments	7,675,123	7.26%
Stephan & Rosamund Shakespeare[1]	7,417,556	7.02%
Investec Wealth & Investment	6,318,017	5.98%
Kabouter Management	5,531,090	5.23%
Charles Stanley	4,693,751	4.44%
Bailie Gifford	3,973,957	3.76%
Total	**84,204,616**	**79.66%**

1 Includes 559,404 Ordinary Shares held by Stephan Shakespeare's wife, Rosamund Shakespeare.

When calculating their percentage holdings in the Company, shareholders should use the issued share capital figure minus any shares held by the YouGov Employee Benefit Trust as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Group under the Financial Conduct Authority's Disclosure and Transparency Rules. Shareholders are advised to refer to the Company's latest "Total Voting Rights" announcement which is available on the Regulatory News Service.

Directors' Report

for the year ended 31 July 2019 continued

Research and development

The Group's research and development activities centre on the development of bespoke software solutions to support and advance our online capabilities. No research and development costs were charged to the Consolidated Income Statement in 2019 or 2018. In 2019, £4.8m (2018: £3.9m) was capitalised and included within intangible fixed assets. Capitalised development is amortised to the income statement over a period of three years. The amortisation charge in respect of capitalised development was £4.6m (2018: £3.5m).

Charitable and political contributions

Donations to charitable organisations amounted to £95,000 (2018: £97,000). This included an annual subscription of £93,000 (2018: £78,000) in respect of the YouGov-Cambridge Programme, an academic partnership established with Cambridge University's Department of Politics and International Studies. The Company does not make political donations.

Employee involvement and communication

The Board firmly believes in the importance of keeping employees informed and engaged in the financial and economic factors affecting the Group's performance. Information about the Group's performance against our five-year plan is shared with employees through regular management global town halls, all-employee emails and our intranet. Employees are encouraged to own shares in the Company, and many employees are shareholders and/or hold options under the Group's share option schemes as part of their compensation packages. For more information about how we involve, engage and communicate with employees, see pages 66 and 67.

Insurance

During the financial year, the Group has maintained Directors' and Officers' liability insurance. In accordance with Section 234 of the Companies Act 2006, qualifying third-party indemnity provisions are in place for the Directors and Company Secretary in respect of liabilities incurred because of their office, to the extent permitted by law. This insurance was in force at the date of signing of the annual report and financial statements.

Going concern

The Group meets its day-to-day working capital requirements through its own cash resources. The nature of the Group's business means that there is some uncertainty as to the future level of demand for the Group's products. However, the Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to continue operating without bank finance. After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the near future including the 12 months from the date of this report. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Fair, balanced and understandable statement

Each of the Directors considers that the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

Independent auditors

In accordance with Section 418(2) of the Companies Act 2006, each of the Company's Directors in office as at the date of this report confirms that:

- So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- All steps that ought to have been taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The Group external auditors are PricewaterhouseCoopers LLP. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the forthcoming Annual General Meeting.

Annual General Meeting

The Annual General Meeting of the Company will be held on 11 December 2019 at our offices at 50 Featherstone Street, London EC1Y 8RT.

Tilly Heald
Company Secretary
On behalf of the Board
8 October 2019

Directors' Responsibilities Statement

Statement of Directors' responsibilities in respect of the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and parent company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 parent company and of the profit or loss of the Group and parent company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed for the Group financial statements and IFRSs as adopted by the European Union have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and parent company will continue in business.

The Directors are also responsible for safeguarding the assets of the Group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and parent company transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Director's confirmations

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and parent company's position and performance, business model and strategy.

Alex McIntosh

Alex McIntosh
Chief Financial Officer
On behalf of the Board
8 October 2019

Independent auditors' report to the members of YouGov plc

Report on the audit of the Group financial statements

Opinion

In our opinion, YouGov plc's Group financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's affairs as at 31 July 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2019 (the "Annual Report"), which comprise: the Consolidated Statement of Financial Position as at 31 July 2019; the Consolidated Income Statement and Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended; the Principal Accounting Policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview

- Overall Group materiality: £950,000, based on 5% of profit before tax. This is a change from our 2018 audit where our materiality (£690,000) was based on 3.5% of adjusted operating profit (as presented on the face of the income statement). We now consider profit before tax to be the most appropriate benchmark used in assessing the performance of the Group.

- The focus of the Group team's work was on the UK and US operations. The Middle East operation was also in full scope and we received reporting on the complete financial information from our Middle East team. In addition, specified audit procedures were performed by the Group team on the German, Nordic and Asia Pacific operations.
- Our testing accounted for 95% of profit before tax.

- Capitalisation of internally generated intangible assets.
- Carrying value of goodwill and intangible assets.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Capitalisation of internally generated intangible assets Refer to Principal accounting policies of the consolidated financial statements and Note 11. We focussed on this area because of the significant level of judgement by the Directors involved in determining whether internal time and external costs incurred in respect of internally generated intangible assets satisfy the requirements of the financial reporting framework (International Accounting Standard 38 Intangible assets, "IAS 38") to be capitalised. In particular we have focussed on whether they are separable from the other assets of the business and will provide future economic benefits for the Group.	We have gained an understanding of the controls and review process over the capitalisation of intangibles. We considered the technical feasibility and revenue generation of each project with relevant personnel and obtained satisfactory explanations for the assumptions made. In order to test the future economic benefits of these products, we have tested the reasonableness of management's revenue and cash flow forecasts. We also tested a sample of internal costs to timesheets and supporting payroll records and verified the allocation of employee costs to the correct projects and external costs to invoices. We tested that for a sample of projects costs capitalised they satisfied the recognition criteria in IAS 38. We have assessed whether any existing assets are impaired as a result of new development in the year. Based on the audit procedures performed, we are satisfied that amounts capitalised appropriately reflect the requirements of IAS 38.
Impairment of goodwill and indefinite life intangible assets As stated in Note 10 to the consolidated financial statements, management has estimated the recoverable amount for each Cash-Generating Unit ("CGU") using a value-in-use model by projecting cash flows for the next five years together with a terminal value using a perpetuity growth rate. The total amount of goodwill and indefinite life intangible assets on the Group balance sheet as at 31 July 2019 is £65.6m. The Directors' annual impairment assessment took into consideration their budget and five year plan and a level of sensitivity analysis, concluding that there was headroom over the carrying value. The key assumptions in this assessment included forecast future revenue growth, the discount rate, the perpetuity growth rate, cost growth and cash conversion rates. Given the estimation inherent in the use of forecasts, there is a risk that the goodwill and indefinite life intangible assets balance is not supported by the future cash flows of the relevant CGUs.	Our audit procedures comprised the following: • Tested that the methodology built into the model produced by management to assess impairment addressed the requirements of the financial reporting framework, and re-performed the calculations; • Evaluated the accuracy of prior years' forecasts in light of past performance and actual results achieved to assess the quality and reliability of management's forecasts for each CGU; • Challenged management over the reasonableness of the key assumptions inherent in the model; • Agreed information, in particular forecast financial information, to budgets and forecasts approved by senior management; and • Used a valuations expert to assess the appropriateness of the discount rate assumption. We also performed sensitivity analysis around the key drivers of the cash flow forecasts, being: • the revenue growth rate for the first five years; • perpetuity growth rate; • the cost growth rate for the first five years; and • the discount rate. Having ascertained the extent of change in those assumptions that either individually or collectively would be required for the goodwill to be impaired for the CGU, we considered the likelihood of such a movement in those key assumptions arising. We did not identify any issues with management's key assumptions based on our evaluation of supporting evidence, together with management's and our own sensitivity analysis performed. We also considered the appropriateness of the related disclosures in Note 10 to the financial statements. We found that the disclosures appropriately describe the key judgements and sensitivities in the Directors' assessment.

Independent auditors’ report to the members of YouGov plc

Report on the audit of the Group financial statements continued

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which it operates.

The Group reports its operating results and financial position in eight territories: the UK, USA, Germany, Nordics, Middle East, Asia Pacific, France and Mainland Europe. The Group financial statements are a consolidation of the Group's operating businesses and central functions. The Group's operating reporting units vary significantly in size, the most significant being the UK, US and the Middle East. The Group team performed the audits of the UK, USA and the consolidation. We also issued instructions to our Middle East team, which included guidance on the areas of focus for the audit. Our Middle East team performed their respective audit, in accordance with our instructions, over the complete financial information of the Middle East and we had regular communication with them. We then received reporting on the results of their work. In addition, specified audit procedures were performed by the Group team for the German, Nordic and Asia Pacific operations. The components where we performed an audit of their complete financial information accounted for 95% of the Group's profit before tax.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall Group materiality	£950,000 (2018: £690,000).
How we determined it	5% of consolidated profit before tax (as presented on the face of the Consolidated Income Statement) and rounded to the nearest £50,000.
Rationale for benchmark applied	We believe that profit before tax is the primary measure by which shareholders assess the performance of the Group, and is a generally accepted auditing benchmark. In the prior period, adjusted operating profit was used as the benchmark for assessing materiality. In the current year financial statements management has changed how this metric is calculated and we now believe that profit before tax provides a more appropriate measure for assessing the performance of the Group.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £224,000 and £855,000. Certain components were audited to a local statutory audit materiality that was also less than our overall Group materiality.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £48,000 (2018: £34,500) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

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

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Group's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 July 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 71, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- certain disclosures of Directors' remuneration specified by law are not made.

We have no exceptions to report arising from this responsibility.

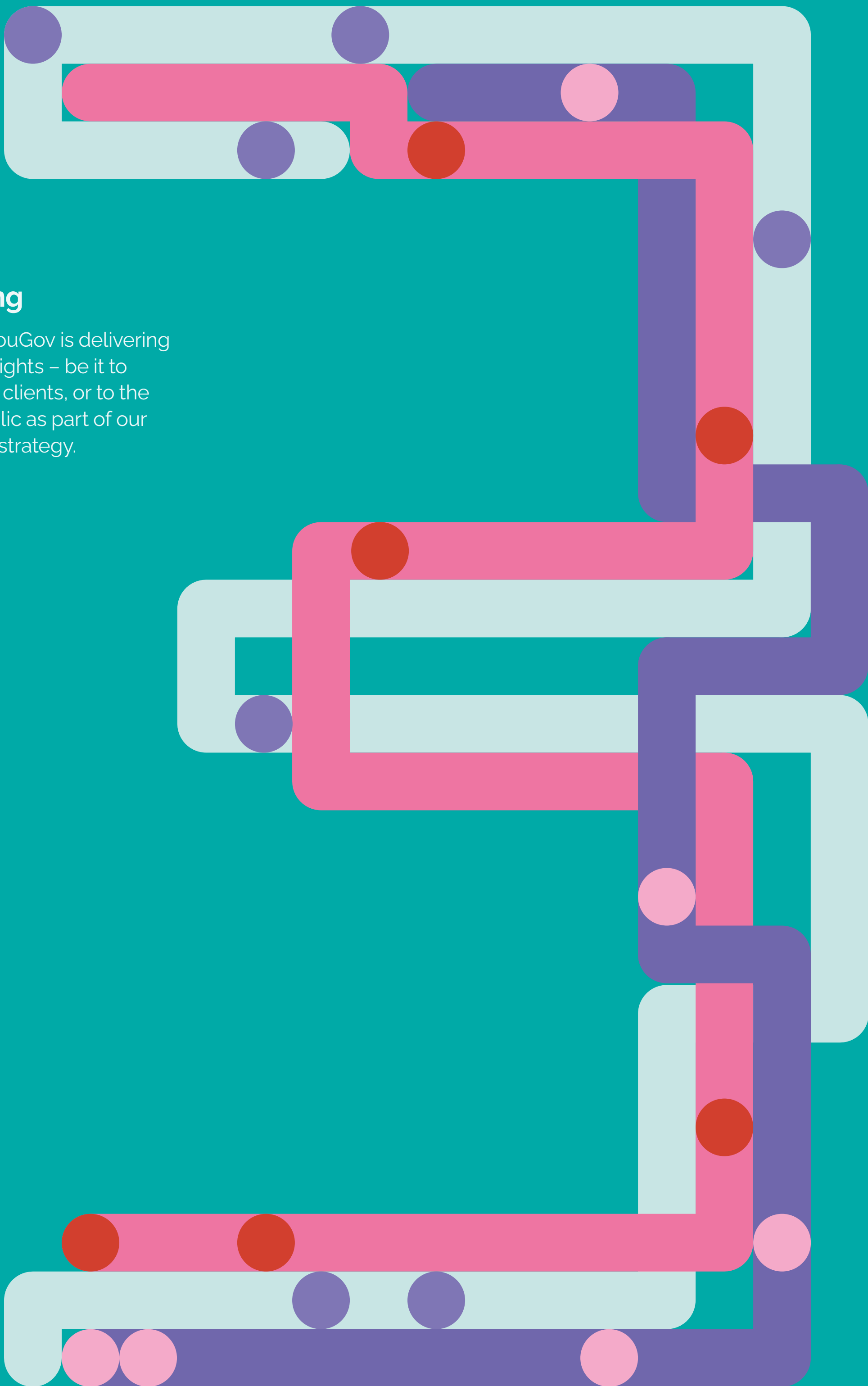
Other matter

We have reported separately on the parent company financial statements of YouGov plc for the year ended 31 July 2019.

Brian Henderson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
8 October 2019

In this section

Financial statements



Delivering

Every day YouGov is delivering data and insights – be it to commercial clients, or to the general public as part of our Public Data strategy.

Consolidated Income Statement

for the year ended 31 July 2019

	Note	2019 £'000	2018 £'000
Revenue	1	**136,487**	116,559
Cost of sales		**(24,206)**	(21,495)
Gross profit		**112,281**	95,064
Operating expenses		**(92,464)**	(83,306)
Operating profit	1	**19,817**	11,758
Separately reported items	4	**(1,529)**	892
Adjusted operating profit*	1	**18,288**	12,650
Finance income	5	**255**	151
Finance costs	5	**(564)**	(202)
Share of post-tax (loss)/profit of associates	13	**(52)**	66
Profit before taxation	1	**19,456**	11,773
Taxation	6	**(5,085)**	(3,615)
Profit after taxation	1	**14,371**	8,158
Attributable to:			
– Owners of the parent		**14,970**	8,158
– Non-controlling interests		**(599)**	–
		14,371	8,158
Earnings per share			
Basic earnings per share attributable to owners of the parent	8	**14.2p**	7.7p
Diluted earnings per share attributable to owners of the parent	8	**13.2p**	7.3p

* In the prior year financial statements adjusted operating profit was before both amortisation and separately reported items, in the current year this has been amended to exclude only separately reported items and the prior year comparative has been restated.

All operations are continuing.

The notes and accounting policies on pages 83 to 121 form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 31 July 2019

	2019 £'000	2018 £'000
Profit for the year	**14,371**	8,158
Other comprehensive income		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	**4,987**	142
Other comprehensive income for the year	**4,987**	142
Total comprehensive income for the year	**19,358**	8,300
Attributable to:		
– Owners of the parent	**19,957**	8,300
– Non-controlling interests	**(599)**	–
Total comprehensive income for the year	**19,358**	8,300

Items in the statement above are disclosed net of tax. The tax relating to each component of other comprehensive income is disclosed in Note 19.

The notes and accounting policies on pages 83 to 121 form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

as at 31 July 2019

	Note	2019 £'000	2018 £'000
Assets			
Non-current assets			
Goodwill	10	**65,637**	52,060
Other intangible assets	11	**16,737**	13,297
Property, plant and equipment	12	**4,424**	3,037
Investments in associates	13	**–**	191
Deferred tax assets	19	**11,208**	9,434
Total non-current assets		**98,006**	78,019
Current assets			
Trade and other receivables	14	**33,726**	34,672
Current tax assets		**930**	1,442
Cash and cash equivalents (excluding bank overdrafts)	15	**37,925**	30,621
Total current assets		**72,581**	66,735
Total assets		**170,587**	144,754
Liabilities			
Current liabilities			
Trade and other payables	16	**40,041**	34,998
Current tax liabilities	15	**740**	1,247
Contingent consideration	17	**2,791**	1,409
Provisions	18	**4,931**	3,791
Total current liabilities		**48,503**	41,445
Net current assets		**24,078**	25,290
Non-current liabilities			
Contingent consideration	17	**7,279**	5,110
Provisions	18	**4,623**	4,000
Deferred tax liabilities	19	**2,158**	2,128
Total non-current liabilities		**14,060**	11,238
Total liabilities		**62,563**	52,683
Net assets		**108,024**	92,071
Equity			
Issued share capital	21	**211**	211
Share premium	21	**31,345**	31,300
Treasury reserve		**(3,738)**	–
Merger reserve		**9,239**	9,239
Foreign exchange reserve		**20,018**	15,031
Retained earnings		**51,507**	36,290
Total equity attributable to owners of the parent		**108,582**	92,071
Non-controlling interests in equity		**(558)**	–
Total equity		**108,024**	92,071

The notes and accounting policies on pages 83 to 121 form an integral part of these consolidated financial statements. The financial statements on pages 78 to 128 were authorised for issue by the Board of Directors on 8 October 2019 and signed on its behalf by:

Alex McIntosh
Chief Financial Officer
YouGov plc
Registered No. 03607311

Consolidated Statement of Changes in Equity

for the year ended 31 July 2019

		Attributable to equity holders of the Company								
	Note	Issued share capital £'000	Share premium £'000	Treasury reserve £'000	Merger reserve £'000	Foreign exchange reserve £'000	Retained earnings £'000	Equity attributable to owners of the parent £'000	Non-controlling interest in equity £'000	Total equity £'000
Balance at 1 August 2017		211	31,261	–	9,239	14,889	24,873	80,473	–	80,473
Exchange differences on translation		–	–	–	–	142	–	142	–	142
Net gain recognised directly in equity		–	–	–	–	142	–	142	–	142
Profit for the year		–	–	–	–	–	8,158	8,158	–	8,158
Total comprehensive income for the year		–	–	–	–	142	8,158	8,300	–	8,300
Issue of shares	21	–	39	–	–	–	–	39	–	39
Dividends paid	7	–	–	–	–	–	(2,106)	(2,106)	–	(2,106)
Share-based payments	22	–	–	–	–	–	3,571	3,571	–	3,571
Tax in relation to share-based payments	19	–	–	–	–	–	1,794	1,794	–	1,794
Total transactions with owners recognised directly in equity		–	39	–	–	–	3,259	3,298	–	3,298
Balance at 31 July 2018 as originally presented		**211**	**31,300**	–	**9,239**	**15,031**	**36,290**	**92,071**	**–**	**92,071**
Change in accounting policy (Note 27)		–	–	–	–	–	(741)	(741)	–	(741)
Restated total equity at 1 August 2018		**211**	**31,300**	**–**	**9,239**	**15,031**	**35,549**	**91,330**	**–**	**91,330**
Exchange differences on translation		**–**	**–**	**–**	**–**	**4,987**	**–**	**4,987**	**–**	**4,987**
Net gain recognised directly in equity		**–**	**–**	**–**	**–**	**4,987**	**–**	**4,987**	**–**	**4,987**
Profit/(Loss) for the year		**–**	**–**	**–**	**–**	**–**	**14,970**	**14,970**	**(599)**	**14,371**
Total comprehensive income/(expense) for the year		**–**	**–**	**–**	**–**	**4,987**	**14,970**	**19,957**	**(599)**	**19,358**
Issue of shares	21	**–**	**45**	**–**	**–**	**–**	**–**	**45**	**41**	**86**
Acquisition of treasury shares	21	**–**	**–**	**(3,738)**	**–**	**–**	**–**	**(3,738)**	**–**	**(3,738)**
Dividends paid	7	**–**	**–**	**–**	**–**	**–**	**(3,167)**	**(3,167)**	**–**	**(3,167)**
Share-based payments	22	**–**	**–**	**–**	**–**	**–**	**2,401**	**2,401**	**–**	**2,401**
Tax in relation to share-based payments	19	**–**	**–**	**–**	**–**	**–**	**1,754**	**1,754**	**–**	**1,754**
Total transactions with owners recognised directly in equity		**–**	**45**	**(3,738)**	**–**	**–**	**988**	**(2,705)**	**41**	**(2,664)**
Balance at 31 July 2019		**211**	**31,345**	**(3,738)**	**9,239**	**20,018**	**51,507**	**108,582**	**(558)**	**108,024**

The notes and accounting policies on pages 83 to 121 form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 July 2019

	Note	2019 £'000	2018 £'000
Cash flows from operating activities			
Profit before taxation		**19,456**	11,773
Adjustments for:			
Finance income		**(255)**	(151)
Finance costs		**564**	202
Share of post-tax (loss)/profit of associates		**52**	(66)
Amortisation of intangibles	2	**8,809**	7,026
Depreciation	2	**1,481**	1,231
Loss on disposal of property, plant and equipment and other intangible assets		**6**	7
Share-based payments		**2,401**	3,571
Other non-cash items*		**(3,245)**	(566)
Decrease/(Increase) in trade and other receivables		**714**	(2,278)
Increase in trade and other payables		**3,969**	2,097
Increase in provisions		**1,348**	771
Cash generated from operations		**35,300**	23,617
Interest paid		**(28)**	(6)
Income taxes paid		**(4,521)**	(5,501)
Net cash generated from operating activities		**30,751**	18,110
Cash flow from investing activities			
Acquisition of subsidiaries (net of cash acquired)		**(228)**	(695)
Settlement of deferred consideration		**(4,520)**	(190)
Purchase of business		**(2,063)**	–
Purchase of property, plant and equipment	12	**(2,713)**	(969)
Purchase of intangible assets	11	**(9,453)**	(7,217)
Proceeds from sale of plant, property and equipment		**–**	5
Dividends received from associates		**–**	220
Interest received		**211**	28
Net cash used in investing activities		**(18,766)**	(8,818)
Cash flows from financing activities			
Proceeds from the issue of share capital		**86**	39
Dividends paid to shareholders		**(3,167)**	(2,106)
Purchase of treasury shares		**(3,738)**	–
Net cash used in financing activities		**(6,819)**	(2,067)
Net increase in cash and cash equivalents		**5,166**	7,225
Cash and cash equivalents at beginning of year		**30,621**	23,219
Exchange gain on cash and cash equivalents		**2,138**	177
Cash and cash equivalents at end of year	15	**37,925**	30,621

* Includes (£2,057,000) of fair value gains in respect of the SMG & Portent acquisitions and a reduction of (£3,192,000) in the SMG contingent consideration offset by £3,063,000 of contingent consideration in respect of acquisitions treated as staff costs.

The notes and accounting policies on pages 83 to 121 form an integral part of these consolidated financial statements.

Principal Accounting Policies of the Consolidated financial statements for the year ended 31 July 2019

Nature of operations

YouGov plc and subsidiaries' ("the Group") principal activity is the provision of market research.

YouGov plc is the Group's ultimate parent company. It is incorporated and domiciled in Great Britain. The address of YouGov plc's registered office is 50 Featherstone Street, London EC1Y 8RT United Kingdom. YouGov plc's shares are listed on the Alternative Investment Market of the London Stock Exchange.

YouGov plc's annual consolidated financial statements are presented in UK Sterling, which is also the functional currency of the parent company.

Basis of preparation

The consolidated financial statements of YouGov plc are for the year ended 31 July 2019. They have been prepared under the historical cost convention modified for fair values under IFRS. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), IFRS Interpretations Committee (IFRS IC) Interpretations (as adopted by the EU) and the Companies Act 2006 applicable to companies reporting under IFRS.

The policies set out below have been consistently applied to all years presented except where new accounting standards allow for a cumulative opening adjustment. Note 27 provides a summary of the opening adjustments made.

Going concern

The Group meets its day-to-day working capital requirements through its available cash resources. The Group's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the Group should be able to operate without bank finance. After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

New standards, amendments and interpretations of existing standards adopted by the Group

The following standards, interpretations and amendments are mandatory for the first time for the financial year beginning 1 August 2018 and are relevant to the preparation of the Group's financial statements:

- IFRS 15 Revenue from Contracts with Customers; and
- IFRS 9 Financial Instruments.

IFRS 15 introduced a five-step approach to revenue recognition. The Group's accounting policies for its revenue streams are disclosed in detail on pages 85 and 86. Apart from providing more extensive disclosures for the Group's revenue transactions, the application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the Group, and no prior period results require restatement.

The primary impact of IFRS 9 on the Group is the introduction of an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Group to account for the lifetime expected credit losses on both trade receivables and accrued income. The Group's approach to calculating the lifetime expected credit loss is detailed on page 90. In accordance with the transitional provisions in IFRS 9, comparative figures have not been restated for IFRS 9. The reclassifications and the adjustments arising from the new impairment rules are therefore recognised in the opening balance sheet on 1 August 2018. For more information about the impact of adoption see Note 27.

Under IAS 39 trade and other receivables and cash and cash equivalents were measured as "loans and receivables". Under IFRS 9 these are now categorised as "amortised cost". The categorisation of all financial liabilities recognised on the balance sheet has remained the same between IAS 39 and IFRS 9.

New standards and interpretations not applied

The following amendments to standards and interpretations are mandatory for the first time for the financial years beginning on or after 1 August 2019 and will be relevant to the preparation of the Company's financial statements.

Long-term Interests in Associates and Joint Ventures – Amendments to IAS 28: The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under IFRS 9 Financial Instruments before applying the loss allocation and impairment requirements in IAS 28 Investments in Associates and Joint Ventures.

Interpretation 23 Uncertainty over Income Tax Treatments: The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.

Principal Accounting Policies of the Consolidated financial statements for the year ended 31 July 2019 continued

Prepayment Features with Negative Compensation – Amendments to IFRS 9: The narrow-scope amendments made to IFRS 9 Financial Instruments in October 2017 enable entities to measure certain prepayable financial assets with negative compensation at amortised cost. These assets, which include some loan and debt securities, would otherwise have to be measured at fair value through profit or loss.

IFRS 16, "Leases": This standard replaces the current guidance in IAS 17 and is a far-reaching change in accounting by lessees in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off-balance sheet). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. This is effective for accounting periods beginning after 1 January 2019.

Annual improvements 2015–2017: These amendments impact four standards:

- IFRS 3 Business Combinations – clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages.
- IFRS 11 Joint Arrangements – clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.
- IAS 12 Disclosure of Interests in Other Entities – clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.
- IAS 23 Borrowing Costs – clarified that, if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

These amendments are not yet endorsed by the EU.

IFRIC 22, "Foreign currency transactions and advance consideration": This IFRIC addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payments/receipts are made. The guidance aims to reduce diversity in practice. This is effective for accounting periods beginning after 1 January 2018 although has not yet been endorsed by the EU.

Management will assess the impact on the Group of these standards prior to the effective date of implementation. For IFRS 16 management has assessed the value of all leases for which the Group is liable for as at 1 August 2019 and determined that a total lease liability of £10,926,000 will need to be recognised at the adoption date. The corresponding right of use asset is valued at £10,539,000. The depreciation expense for the year ending 31 July 2020 is estimated to be £2,683,000, with interest costs of £266,000. The standard will be adopted using full retrospective application, with restated comparative results provided.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group for the financial year beginning 1 August 2019. Management will assess the impact on the Group of these standards prior to the effective date of implementation.

Basis of consolidation

The Group financial statements consolidate the Company and all of its subsidiary undertakings (see Note 12) drawn up to 31 July 2019. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

All intra-Group transactions, balances, income and expenses are eliminated in full on consolidation. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisitions of subsidiaries are dealt with by the acquisition method. The acquisition method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated statement of financial position at their fair values, which are also used as the basis for subsequent measurement in accordance with the Group accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Acquisition-related costs are charged to the income statement in the period in which they are incurred.

The Group treats transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interests result in gains and losses for the Group that are recorded in the Statement of Changes in Equity. Purchases of non-controlling interests are recognised directly in reserves, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

Associates and joint ventures

Entities whose economic activities are controlled jointly by the Group and by other venturers independent of the Group are accounted for using the equity method. Associates are those entities over which the Group has significant influence (defined as the power to participate in the financial and operating decisions of the investee but not control or joint control over those policies) but which are neither subsidiaries nor interests in joint ventures. The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, under which investments in associates and investments in joint ventures are carried in the Consolidated Statement of Financial Position at cost as adjusted for post-acquisition changes in the Group's share of net assets of the associate or joint venture less any impairment in the value of individual investments. The Group's share of its associates' post-acquisition profits or losses is recognised in the Consolidated Income Statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income.

However, when the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interests in the associates or joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of associates and joint ventures have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Segmental analysis

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The Board of Directors (which is the "chief operating decision-maker") primarily reviews information based on product lines, Custom Research, Data Products and Data Services, with supplemental geographical information. As a result, product lines form the basis for the segmental reporting with supplemental geographical information also provided.

Revenue

Revenue is recognised in accordance with IFRS 15, "Revenue from contracts with customers". Revenue is measured by reference to the fair value of consideration received or receivable by the Group for services provided, excluding Value Added Tax and trade discounts. Under IFRS 15 an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This principle is represented in a five-step model:

1. Identify the contract(s) with a customer.

2. Identify the performance obligation(s) in the contract.

3. Determine the transaction price.

4. Allocate the transaction price to the performance obligations in the contract.

5. Recognise revenue when (or as) the entity satisfies a performance obligation.

Accrued income is the difference between the revenue recognised and the amounts actually invoiced to customers. Where invoicing exceeds the amount of revenue recognised, these amounts are included in deferred income.

Market research

Revenue arises from the provision of market research services. Within this revenue stream are syndicated and non-syndicated services. Data Products revenue streams are mainly syndicated services whilst Omnibus and Custom Research revenue streams are mainly non-syndicated services.

Principal Accounting Policies of the Consolidated financial statements for the year ended 31 July 2019 continued

Syndicated services

Syndicated services are the consistent provision of data over a specified period of time. The price agreed with the customer is apportioned between the products according to their relative standalone values. Revenue is recognised from the point in time at which access passwords have been made available to the customer. Access to each service is considered to be a single performance obligation and revenue is recognised in equal monthly instalments over the life of the contract.

Non-syndicated services

Non-syndicated services vary in size and complexity. For long-term contracts, if the outcome can be assessed with reasonable certainty, revenue is recognised by including in the income statement revenue and related costs as contract activity progresses based on the stage of completion. Revenue is recognised on each contract in proportion to the level of services performed by reference to the project manager's estimates and time records against budgeted and assigned resource.

As these project stages are not sufficiently separable, would not be available to purchase individually and the Group has a right to demand payment for performance completed should the customer cancel the project before delivery, management considers them to represent a single performance obligation and so the use of the percentage complete method is considered appropriate.

Media buying

Where the Group acts as an agent, assisting clients with marketing campaigns, the revenue recorded is the net amount retained when the fee or commission is earned. Each campaign that the Group works on is considered to be a separate performance obligation to which the associated commission is assigned. This commission is recognised upon delivery of the agreed resources. Although the Group may bear credit risk in respect of these activities, the arrangements with clients are such that the Group considers that it is acting as an agent. In such cases, costs incurred with external suppliers (such as media suppliers) which are passed on to customers are excluded from the Group's revenue.

Non-cash transactions

The Group enters into contracts for the provision of market research services in exchange for advertising rather than for cash or other consideration. When barter transactions are agreed, the value of the work provided to the counterparty is equal in value to that which would be provided in an ordinary cash transaction. As required by IFRS 15 the value of advertising receivable in all significant barter transactions is measured at the fair value of the services provided.

Provisions

Provisions are recognised in the Consolidated Statement of Financial Position when a Group company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date.

If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Staff gratuity costs

The staff gratuity provision is a statutory obligation under UAE labour law, whereby each employee on termination of their contract is due a payment dependent upon their number of years of service and nature of the termination. The liability is based on the estimated cash outflow based on historical experience of rates of resignation and redundancy.

Panel incentive costs

The Group invites consumer panel members to fill out surveys in return for a cash or points-based incentive. Although these amounts are not paid until a predetermined target value has accrued on a panellist's account, an assessment of incentives likely to be paid (present obligation) is made taking into account past panellist behaviour and is recognised as a cost of sale in the period in which the service is provided. This assessment takes into account the expected savings from the prize draw offered in various territories.

Finance income/costs

The Group receives finance income for cash funds that are held on short-term instant access deposit. Where interest receipts are received after the balance sheet date, the interest due is accrued for the requisite period at the prevailing rate on the deposit.

Finance cost is recognised using the effective interest method, which calculates the amortised cost of a financial liability and allocates the interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Separately reported items

The Group's Income Statement separately identifies items that are in the Directors' judgement are one-off in nature or need to be disclosed separately by virtue of their size and incidence. In determining whether an item or transaction should be separately identified, the Directors consider quantitative as well as qualitative factors such as the frequency, predictability of occurrence and significance. This is consistent with the way that financial performance is measured by management and reported to the Board. Separately reported items may not be comparable to similarly titled measures used by other companies. Disclosing certain items separately provides additional understanding of the performance of the Group. Examples include acquisition costs and restructuring costs.

Taxation

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 and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with 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 taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the reporting date. The deferred tax provision is held at its current value and not discounted.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the consolidated income statement, except where they relate to items that are charged or credited directly to equity or other comprehensive income, in which case the related deferred tax is also charged or credited directly to equity or other comprehensive income.

Dividends

Dividends are recognised when the shareholders' right to receive payment is established.

Goodwill

Goodwill representing the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is capitalised and reviewed annually, or if indications of impairment exist, for impairment. Goodwill is carried at cost less accumulated impairment losses. If the Group's interest in the net fair value of the identifiable assets, liabilities, contingent liabilities of the acquired entity exceeds the cost of the business combination the excess is recognised immediately in the Consolidated Income Statement.

On disposal of a business, goodwill is allocated based on calculated fair value of assets disposed and included in the calculation of the profit or loss on disposal.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance. Intangible assets are valued at either their directly attributable costs or using valuation methods such as discounted cash flows and replacement cost in the case of acquired intangible assets. The Directors estimate the useful economic life of each asset and use these estimates in applying amortisation rates. The Directors periodically review useful economic life estimates. Intangible assets are stated at cost net of amortisation and any provision for impairment. The Directors conduct an impairment review of intangible assets for assets with an indefinite life annually, or if indications of impairment exist. Where impairment arises, losses are recognised in the Consolidated Income Statement. Amortisation of intangible assets is shown on the face of the consolidated income statement, except for the amortisation of panel incentive costs incurred in product development, which is recognised in cost of sales.

Principal Accounting Policies of the Consolidated financial statements for the year ended 31 July 2019 continued

Intangible assets acquired as part of a business combination

In accordance with IFRS 3 "Business Combinations", an intangible asset acquired in a business combination is deemed to have a cost to the Group of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the Group. Where an intangible asset might be separable, but only together with a related tangible or intangible asset, the Group of assets is recognised as a single asset separately from goodwill where the individual fair values of the assets in the Group are not reliably measurable. Where the individual fair value of the complementary assets is reliably measurable, the Group recognises them as a single asset provided the individual assets have similar useful lives. Intangible assets acquired as part of a business combination are typically amortised using the straight-line method over the following periods:

Intangible asset	Amortisation period
Software and software development	3 – 5 years
Customer contracts and lists	10 – 11 years
Patents and trademarks	5 – 15 years

Intangible assets generated internally

Internally generated intangible assets are only capitalised where they meet all of the following criteria stipulated by IAS 38:

- completion of the intangible asset is technically feasible so that it will be available for use or sale;
- the Group intends to complete the intangible asset and use or sell it;
- the Group has the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits;
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Internally generated intangible assets are staff costs that are capitalised at their directly attributable cost. Development costs not meeting the criteria for capitalisation are expensed as incurred. Development costs previously recognised as an expense are not recognised as an asset in subsequent periods.

Internally generated intangible assets are amortised from the moment at which they become available for use. Amortisation rates applicable to internally generated intangible assets are typically:

Intangible asset	Amortisation period
Software and software development	3 years
Patents and trademarks	not amortised
Product development	3 years

Consumer panel

The consumer panel is the core asset from which the Group's online revenues are generated.

Where a consumer panel or list is acquired as part of a business combination the cost of the asset is recognised at its fair value to the Group at the date of acquisition. The fair value is calculated by management using a discounted cash flow model.

Consumer panel costs reflect the direct cost of recruiting new panel members. Consumer panel costs are split between enhancement and maintenance of the asset. Enhancement costs are capitalised whilst maintenance costs are expensed. Amortisation is charged to write off the panel acquisition costs over a three-year period, this being the Directors' estimate of the average active life of a panellist.

Software and software development

Capitalised software includes our survey and panel management software and other items including the YouGov BrandIndex platform, which are key tools of the Group's business. Software and software development also include purchased off-the-shelf software.

Where software is acquired as part of a business combination, the cost of the asset is recognised at its fair value to the Group at the date of acquisition. The fair value is calculated by management using a replacement cost model. Amortisation is charged to write off the software over a three-to-five-year period, this being the Directors' estimate of the useful life of the software.

Where software is developed internally, directly attributable costs including employee costs are capitalised as software development. Amortisation commences upon completion of the asset. Amortisation is charged to write off the software over a three-year period, this being the Directors' estimate of the useful life of software.

Customer contract and lists

Where a customer contract or list is acquired as part of a business combination, the cost of the asset is recognised at its fair value to the Group at the date of acquisition. The fair value is calculated by management using a discounted cash flow model. Customer contracts and lists are amortised over a useful economic life based on Directors' estimates.

Patents and trademarks

Where a patent or trademark is acquired as part of a business combination the cost of the asset is recognised at its fair value to the Group at the date of acquisition. The fair value is calculated by management using a discounted cash flow model.

Patents acquired as part of a business combination are amortised over a useful economic life based on Directors' estimates.

Patents and trademarks acquired on an ongoing basis to protect the YouGov brand and its products are included at cost and are not amortised, as the trademarks are indefinite in their longevity through legal rights.

Product Development costs

Expenditure on research (or the research phase of an internal project) is recognised as an expense in the period in which it is incurred.

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Impairment testing of goodwill, other intangible assets and property, plant and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors the related cash flows.

Goodwill, other individual assets or cash-generating units that include goodwill, other intangible assets with an indefinite useful life, and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is calculated as value in use based on an internal discounted cash flow evaluation.

Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Property, plant and equipment and depreciation

Property, plant and equipment is carried at cost net of depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

No depreciation is charged during the period of construction. Leasehold property is included in property, plant and equipment only where it is held under a finance lease. Depreciation is calculated to write-down the cost less estimated residual value of all property, plant and equipment over their estimated useful economic lives.

Asset	Depreciation rate
Freehold property	Straight-line over 25 years
Leasehold property improvements	Straight-line over the life of the lease
Fixtures and fittings	25% on a reducing balance
Computer equipment	33% per annum straight-line
Motor vehicles	25% or the life of the lease

The residual values and useful lives of all assets are reviewed at least at the end of each reporting period.

Principal Accounting Policies of the Consolidated financial statements for the year ended 31 July 2019 continued

Leased assets and operating leases

In accordance with IAS 17, the economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is recognised at the time of inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments plus incidental payments, if any, to be borne by the lessee. A corresponding amount is recognised as a finance leasing liability.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the income statement over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the income statement on a straight-line basis over the lease term. Lease incentives are spread over the term of the lease.

Financial assets

Financial assets are divided into the following categories: Trade receivables, loans and financial assets.

Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which they were acquired.

All financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Following the adoption of IFRS 9 from 1 August 2018 the Group's trade receivables and accrued income from sales of products are subject to the new expected credit loss model. The group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and accrued income.

Trade debtor balances where there is a clear indication of impairment are provided for specifically. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired.

The expected credit loss is the difference between the carrying amount of the trade receivables balance at the measurement date, less any amounts with specific provisions, and the total amount expected to be recovered. The expected loss allowance is calculated on a regional basis using the historic default rates in each geography, adjusted for other considerations such as local economic conditions and anticipated future events.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Consolidated Income Statement within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the Consolidated Income Statement.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured subsequent to initial recognition at amortised cost using the effective interest method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in the consolidated income statement.

An assessment for impairment is undertaken at least at each reporting date.

A financial asset is derecognised only where the contractual rights to the cash flows from the asset expire or the financial asset is transferred and that transfer qualifies for derecognition. A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the Group retains the contractual rights to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients. A financial asset that is transferred qualifies for derecognition if the Group transfers substantially all the risks and rewards of ownership of the asset, or if the Group neither retains nor transfers substantially all the risks and rewards of ownership but does transfer control of that asset.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities are assigned to the different categories by management on initial recognition, depending on the purpose for which they were acquired.

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. They are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Borrowings and lease liabilities are initially recorded at the fair value which is typically the proceeds received, net of any issue costs and subsequently carried at amortised cost. Finance charges are accounted for on an effective interest method and are added to the carrying value of the instrument to the extent that they are not settled in the period in which they arise.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, with maturities no longer than three months. In addition, bank overdrafts which are repayable on demand are included for the purposes of the Consolidated Statement of Cash Flows.

Equity

Equity comprises the following:

- share capital represents the nominal value of equity shares;
- share premium represents the excess over nominal value of the fair value of consideration received for equity shares, net of incremental and directly attributable expenses of the share issue;
- foreign exchange reserve represents the differences arising from translation of investments in overseas subsidiaries;
- retained earnings represent retained profits; and
- merger reserve represents the excess over nominal value of the fair value of consideration received for equity shares issued/allotted directly to acquire another entity meeting the specific requirements of Section 612 of the Companies Act 2006.

The conditions of the relief include:

- securing at least 90% of the nominal value of equity of another company; and
- the arrangement provides for allotment of equity shares in the issuing company.

Foreign currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Sterling, which is the Company's functional and presentation currency.

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the reporting date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the consolidated income statement in the period in which they arise.

The assets and liabilities in the financial statements of foreign subsidiaries and associates and related goodwill are translated at the rate of exchange ruling at the reporting date. Income and expenses are translated at average rate unless average rate is not a good approximation of the rate ruling on the date of the transaction. The exchange differences arising from the retranslation of the opening net investment in subsidiaries and joint ventures are taken directly to the "Foreign exchange reserve" in equity.

Employee benefits

Equity-settled share-based payments

The Group operates a number of equity-settled share-based payment compensation plans under which the entity receives services from employees as consideration for equity instruments (options) of the Group. All equity-settled share-based payments are ultimately recognised as an expense in the consolidated income statement with a corresponding credit to retained earnings.

This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Principal Accounting Policies of the Consolidated financial statements for the year ended 31 July 2019 continued

Upon exercise of share options the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate, share premium.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it has a constructive obligation to pay them as a result of the announcement of a detailed formal plan to terminate the employment of current employees. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Sales Commissions

Sales commissions paid are accounted for as staff costs within operating expenses as they are considered to be part of total remuneration.

Contingent consideration

Future anticipated payments to vendors in respect of earn outs are based on the Directors' best estimates of future obligations, which are dependent on the future performance of the interests acquired and assume the operating companies improve profits in line with Directors' estimates. When consideration payable is deferred, the fair value of the consideration is obtained by discounting to present value the amounts expected to be payable in the future at a rate equivalent to a UK 10 year treasury gilt (or foreign equivalent), this being, in the Directors' opinion the most appropriate barometer for a risk-free rate. Subsequent changes in the amount of contingent consideration recognised are recorded as other separately reported items in the Consolidated Income Statement.

Imputed interest

When the outflow of cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is the present value of all future payments determined using an imputed rate of interest. The imputed rate of interest used is the risk-free rate, this being, in the Directors' opinion the most appropriate rate. The difference between the present value of all future payments and the nominal amount of the consideration is recognised as an interest charge. Imputed interest is shown within finance costs in the Consolidated Income Statement.

Accounting estimates and judgements

In the process of applying the Group's accounting policies the Directors are required to make estimates and judgements that may affect the financial statements. The Directors believe that the estimates and judgements applied in the financial statements are reasonable.

Estimates and judgements are evaluated on a regular basis and are based on historical experience (where applicable) and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. These estimates, by definition, will rarely equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Where estimates and judgements have been made, the key factors taken into consideration are disclosed in the appropriate Note in these consolidated financial statements.

Estimates have been made in respect of the following:

Revenue recognition

The Group is required to make an estimate of project completion levels on long-term contracts for revenue recognition purposes. This is based upon the project manager's estimates and available time records against budgeted and assigned resource for the initial project scope. This involves an element of estimation, and therefore differences may arise between the actual and estimated result. Where differences arise, they are recognised in the Consolidated Income Statement for the following reporting period.

Share-based payments

The Group is required to make estimates regarding the assumptions that are used to calculate the income statement charge for share-based payments. The value of share options is measured using either the Black Scholes option pricing model or the Monte Carlo Simulation. This is dependent on the conditions attached to each of the issued options. Where conditions are non-market based the Black Scholes option pricing model is used. Where market based conditions are attached to options, the fair value is determined using the Monte Carlo Simulation. Inputs to the calculations include (but are not limited to) expected volatility, expected life, risk-free rate, expected dividend yield and redemption rates, the inputs used are disclosed in Note 22. Variances in any of the inputs could lead to the charge being higher or lower than appropriate.

Income taxes

The Group is subject to income taxes in various jurisdictions. Judgement is required in determining the worldwide provision for income taxes. There are many transactions/calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different to what is initially recorded, such differences will impact the income tax and deferred tax provisions. Income taxes are disclosed fully in Note 6.

Deferred taxation

Estimation is required by management in determining whether the Group should recognise a deferred tax asset.

Management considers whether there is sufficient certainty that its tax losses available to carry forward will ultimately be offset against future probable profits before taxation. This estimate impacts on the degree to which deferred tax assets are recognised. Deferred taxation is disclosed fully in Note 19.

Goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy.

The recoverable amount is based on the higher of value in use calculations and the fair value less cost to dispose. The use of this method requires the estimation of future cash flows and the choice of a suitable discount rate in order to calculate the present values of these cash flows. The estimates used in the impairment review are fully disclosed in Note 10.

Contingent consideration

As part of the acquisitions, contingent consideration is payable to selling shareholders based on the future performance of the businesses. Estimates are required in assessing the magnitude of contingent consideration and the likelihood of payment.

Contingent consideration is disclosed fully in Note 17.

Other intangible assets

The Group tests at each reporting date whether intangible assets have suffered any impairment, in accordance with the accounting policy. The recoverable amount of cash-generating units has been determined based on discounted future cash flows. These calculations require estimates to be made. Where there is no method of valuation for an intangible asset, management will make use of a valuation technique to determine the value of an intangible if there is no evidence of a market value. In doing so certain assumptions and estimates will be made. Intangible assets are fully disclosed in Note 11.

Judgement is also required in the determination of the costs that satisfy the IAS 38 criteria for capitalisation as intangible assets.

Panel incentive provision

The Group is required to assess the likelihood that panel incentives earned by consumer panel members will be redeemed and maintain a provision to cover this potential liability. Factors taken into consideration include the absolute liability, redemption rates and panel activity rates. Whilst historical data can indicate trends and behaviours, it is not a definite indicator of the future. In arriving at the carrying value of the provision, certain assumptions and estimates have to be made. The estimates used in calculating the panel incentive provision are fully disclosed in Note 18.

Judgements have been made in respect of the following:

Goodwill

All payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the consolidated income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Other intangible assets

The Group is required to identify and assess the useful life of intangible assets and determine if there is a finite or indefinite life. Judgement is required in determining if an intangible asset has a finite life and the extent of this finite life in order to calculate the amortisation charge on the asset Judgement is also required in the determination of the costs that satisfy the IAS 38 criteria for capitalisation as intangible assets.

Notes to the Consolidated financial statements
for the year ended 31 July 2019

1 Segmental analysis

The Board of Directors (which is the "chief operating decision-maker") primarily reviews information based on product lines: Custom Research, Data Products and Data Services; with supplemental geographical information.

2019	Custom Research £'000	Data Products £'000	Data Services £'000	Eliminations & Unallocated Costs £'000	Group £'000
Revenue	60,000	41,463	37,156	(2,132)	136,487
Cost of sales	(13,569)	(4,170)	(6,789)	322	(24,206)
Gross profit	46,431	37,293	30,367	(1,810)	112,281
Operating expenses	(33,526)	(23,170)	(22,999)	(14,298)	(93,993)
Adjusted operating profit	12,905	14,123	7,368	(16,108)	18,288
Other separately reported items					1,529
Operating profit					19,817
Finance income					255
Finance costs					(564)
Share of post-tax loss in joint ventures and associates					(52)
Profit before taxation					19,456
Taxation					(5,085)
Profit after taxation					14,371
Other segment information					
Depreciation	233	24	48	1,176	1,481
Amortisation	3,127	2,960	2,097	625	8,809

2018	Custom Research £'000	Data Products £'000	Data Services £'000	Eliminations & Unallocated Costs £'000	Group £'000
Revenue	58,657	30,445	28,956	(1,499)	116,559
Cost of sales	(14,205)	(3,700)	(5,089)	1,499	(21,495)
Gross profit	44,452	26,745	23,867	–	95,064
Operating expenses	(32,739)	(17,309)	(17,792)	(14,574)	(82,414)
Adjusted operating profit	11,713	9,436	6,075	(14,574)	12,650
Other separately reported items					(892)
Operating profit					11,758
Finance income					151
Finance costs					(202)
Share of post-tax profit in joint ventures and associates					66
Profit before taxation					11,773
Taxation					(3,615)
Profit after taxation					8,158
Other segment information					
Depreciation	596	214	192	229	1,231
Amortisation	2,408	2,223	1,927	466	7,024

1 Segmental analysis continued

Supplementary analysis by geography

Revenue and adjusted operating profit by geography based on the origin of the sale.

	2019 Revenue £'000	2019 Adjusted operating profit/(loss) £'000	2018 Revenue £'000	2018 Adjusted operating profit/(loss) £'000
UK	**41,151**	**11,764**	31,332	10,169
USA	**56,410**	**13,208**	48,159	13,786
Mainland Europe	**23,855**	**2,933**	21,571	1,113
Middle East	**10,548**	**3,256**	12,057	3,004
Asia Pacific	**11,325**	**164**	8,748	162
Intra-Group revenues/unallocated costs	**(6,802)**	**(13,037)**	(5,308)	(15,584)
Group	**136,487**	**18,288**	116,559	12,650

Revenue by geography based on the destination of the customer.

2019	UK £'000	USA £'000	Mainland Europe £'000	Middle East £'000	Asia Pacific £'000	Intra-Group revenues £'000	Group £'000
External sales	**34,363**	**57,775**	**23,715**	**10,112**	**10,522**	**–**	**136,487**
Inter-segment sales	**2,050**	**2,967**	**2,420**	**445**	**1,966**	**(9,848)**	**–**
Total revenue	**36,413**	**60,742**	**26,135**	**10,557**	**12,488**	**(9,848)**	**136,487**
2018							
External sales	30,926	48,422	21,435	9,318	6,458	–	116,559
Inter-segment sales	2,363	3,388	1,879	391	619	(8,640)	–
Total revenue	33,289	51,810	23,314	9,709	7,077	(8,640)	116,559

Inter-segment sales are priced on an arm's-length basis that would be available to unrelated third parties.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

2 Operating expenses

The profit before taxation is stated after charging:

	2019 £'000	2018 £'000
Auditors' remuneration:		
Fees payable for the audit of the parent company and the consolidated financial statements	**303**	243
Audit of subsidiaries	**112**	121
Audit related assurance services	**–**	19
Tax compliance services	**18**	69
Tax advisory services	**164**	118
Total auditors' remuneration	**597**	570
Disposals, depreciation and amortisation:		
Amortisation of intangible assets recognised in operating expenses	**8,809**	7,024
Amortisation of intangible assets recognised in cost of sales	**–**	2
Total amortisation of intangible assets	**8,809**	7,026
Loss on disposal of intangible assets and property, plant and equipment	**6**	6
Depreciation of property, plant and equipment (Note 12)	**1,481**	1,231
Operating lease rentals:		
Plant and machinery	**30**	14
Land and buildings	**3,108**	2,193
Other (income)/expenses:		
Exchange (gains)/losses	**276**	(2)
Decrease in bad debt provision	**(182)**	–
Share-based payment expenses (Note 22)	**2,401**	3,571
Charitable donations	**94**	97

3 Staff costs and numbers

	2019 £'000	2018 £'000
Wages and salaries	**48,769**	41,123
Social security costs	**6,156**	5,630
Share-based payments (Note 22)	**2,401**	3,571
Other pension costs	**1,339**	1,054
Acquisition costs treated as staff compensation	**2,834**	785
Other benefits	**10,743**	9,625
	72,242	61,788

Included in the above amount are staff costs totalling £4,806,000 (2018: £3,940,000) that were capitalised in relation to internally developed intangible assets. Further details are provided in Note 11. Pension costs are contributions made on behalf of employees to defined contribution pension schemes. Other benefits include staff bonuses paid in cash and private healthcare insurance.

3 Staff costs and numbers continued

The monthly average number of employees including Director's of the Group during the year was as follows:

	2019 Number	2018 Number
Key management personnel	**32**	28
Administration and operations	**927**	788
	959	816

Specific disclosures in relation to compensation for key management personnel (defined as Board and Divisional, Product and Function Heads) who held office during the year was as follows:

	2019 £'000	2018 £'000
Short-term employee benefits	**5,854**	5,019
Post-employment benefits	**105**	109
Share-based payments	**2,097**	3,300
	8,056	8,428

Disclosure of Directors' remuneration including share options are included in the Remuneration Report on pages 56 to 64, which form part of the financial statements

4 Other separately reported items

	2019 £'000	2018 £'000
Restructuring costs	**146**	1,381
Acquisition-related costs	**382**	1,193
Fair value gains	**(2,057)**	(1,682)
	(1,529)	892

Restructuring cost in the year are residual cost incurred in respect of the restructuring of the Custom business in Mainland Europe and the Middle East and the closure of the Reports business. Restructuring costs in the prior year included £1,036,000 in relation to the reduction of non-core custom operations in Mainland Europe and the Middle East and £181,000 in relation to the Reports product line being discontinued. £164,000 of costs also arose from the establishment of centralised global operations and finance support functions.

Acquisition related costs in the year comprise £2,834,000 of contingent consideration treated as staff costs in respect of the acquisitions of Galaxy Research Pty Ltd, InConversation Media Limited and Portent.io Limited and £739,000 of transaction costs in respect of the acquisitions made in the year, £201,000 of which is contingent, less a reduction in expected SMG contingent consideration of £3,192,000. Acquisition-related costs in the prior year comprise £864,000 in respect of the acquisition of Galaxy DP Pty Limited including £785,000 of contingent consideration treated as staff costs, £228,000 for the acquisition of SMG Insight Limited and £101,000 of preliminary work towards acquisitions completed after the reporting date. Further detail on the above acquisitions is provided in Note 9.

Fair value gains in the year comprise, £1,878,000 increase in the fair value assessment of the Group's 20% shareholding in SMG Insight Limited prior to acquisition and a bargain purchase gain of £232,000 less a fair value loss of £53,000 in respect of the acquisition of Portent.io Limited. Fair vale gains in the prior year are in respect of the acquisition of SMG Insights Limited.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

5 Finance income and costs

	2019 £'000	2018 £'000
Interest receivable from bank deposits	**211**	28
Foreign exchange gains on cash and intra-Group loans	**44**	123
Total finance income	**255**	151
Interest payable on bank loans and overdrafts	**3**	2
Other interest payable	**24**	4
Foreign exchange losses on cash and intra-Group loans	**320**	121
	347	127
Imputed interest on contingent consideration and provisions	**217**	75
Total finance costs	**564**	202

6 Taxation

The taxation charge represents:

	2019 £'000	2018 £'000
Current tax on profits for the year	**4,965**	5,042
Adjustments in respect of prior years	**(337)**	69
Total current tax charge	**4,628**	5,111
Deferred tax:		
Origination and reversal of temporary differences	**16**	(1,746)
Adjustments in respect of prior years	**265**	(189)
Impact of changes in tax rates	**176**	439
Total deferred tax charge/(credit)	**457**	(1,496)
Total income statement tax charge	**5,085**	3,615

The tax assessed for the year is higher (2018: higher) than the standard rate of corporation tax in the UK.

The differences are explained below:

	2019 £'000	2018 £'000
Profit before taxation	**19,456**	11,773
Tax charge calculated at Group's standard rate of 19% (2018: 19%)	**3,697**	2,237
Variance in overseas tax rates	**1,439**	943
Impact of changes in tax rates	**176**	439
Gains not subject to tax	**(1,007)**	(347)
Expenses not deductible for tax purposes	**743**	182
Tax losses for which no deferred income tax asset was recognised	**99**	294
Adjustments in respect of prior years	**(72)**	(120)
Associates results reported net of tax	**10**	(13)
Total income statement tax charge for the year	**5,085**	3,615

6 Taxation continued

On 8 July 2015, the UK corporation tax rate was reduced from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020.

On 15 September 2016, further changes to the UK corporation tax rates were made reducing the main rate to 17% from 1 April 2020. On 22 December 2017, the US federal corporate income tax rate reduced from 35% to 21%. These changes have been substantively enacted at the balance sheet date and, therefore, are included in these financial statements. Deferred taxes at the balance sheet date have been measured using the enacted tax rates reflected in these financial statements.

7 Dividend

On 17 December 2018, a final dividend in respect of the year ended 31 July 2018 of £3,167,000 (3.0p per share) (2017: £2,106,000 (2.0p per share)) was paid to shareholders. A dividend in respect of the year ended 31 July 2019 of 4.0p per share, amounting to a total dividend of £4,228,000 is to be proposed at the Annual General Meeting on 11 December 2019. These financial statements do not reflect this proposed dividend payable.

8 Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to Ordinary Shareholders divided by the weighted average number of shares in issue during the year. Shares held in employee share trusts are treated as cancelled for the purposes of this calculation.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post-tax effect of dividends and/or interest, on the assumed conversion of all dilutive options and other dilutive potential Ordinary Shares.

The adjusted earnings per share has been calculated to reflect the underlying profitability of the business by excluding share-based payments, imputed interest, impairment charges, other separately reported items and any related tax effects as well as the derecognition of tax losses.

	2019 £'000	2018 £'000
Profit after taxation attributable to equity holders of the parent company	**14,970**	8,158
Add: share-based payments	**2,401**	3,571
Add: imputed interest (Note 5)	**217**	75
Add: other separately reported items	**(1,529)**	892
Tax effect of the above adjustments and adjusting tax items*	**(321)**	(556)
Adjusted profit after taxation attributable to equity holders of the parent company	**15,738**	12,140

* Adjusting tax items in the prior year included a one off charge of £374,000 as a result of the reduction in US Federal Tax rates.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

8 Earnings per share continued

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below.

	2019	2018
Number of shares		
Weighted average number of shares during the year: ('000 shares)		
– Basic	**105,400**	105,410
– Dilutive effect of share options	**7,865**	7,084
– Diluted	**113,265**	112,494
The adjustments have the following effect:		
Basic earnings per share	**14.2p**	7.7p
Share-based payments	**2.3p**	3.4p
Imputed interest	**0.2p**	0.1p
Other separately reported items	**(1.5p)**	0.8p
Tax effect of the above adjustments and adjusting tax items	**(0.3p)**	(0.5p)
Adjusted earnings per share	**14.9p**	11.5p
Diluted earnings per share	**13.2p**	7.3p
Share-based payments	**2.1p**	3.1p
Imputed interest	**0.2p**	0.1p
Other separately reported items	**(1.3p)**	0.8p
Tax effect of the above adjustments and adjusting tax items	**(0.3p)**	(0.5p)
Adjusted diluted earnings per share	**13.9p**	10.8p

9 Business combinations and disposals

Acquisition of Galaxy DP Pty Limited

On 11 December 2017, to strengthen its position in the Australian market, YouGov purchased a 100% shareholding in Galaxy DP Pty Limited ("Galaxy"), an Australian-based research company. An initial payment of AU$1,250,000 (£700,000) was paid upon completion, with a further AU$332,000 (£190,000) paid in April 2018. The balance of the consideration is payable, contingent upon performance, in two instalments, AU$1,378,000 being paid in in February 2019 and a further payment forecast to be AU$1.7m is due in February 2020.

The contingent consideration is estimated to total AU$3.1m (£1.7m) this part of the consideration is contingent upon continuing employment and therefore has been treated as staff compensation under IFRS. The charge in the year in respect of this was £729,000 (2018: £785,000) which has been recognised in the income statement as a separately reported item.

In addition transaction and integration costs of £79,000 were incurred in the prior year as a result of the acquisition, these have also been treated as excluded items and recognised in the income statement as separately reported items.

9 Business combinations and disposals continued

The amount recognised for each class of assets and liabilities acquired is as follow:

	Acquiree's carrying amount before combination £'000	Fair value adjustments £'000	**Fair value acquired £'000**
Intangible assets	–	424	**424**
Property, plant and equipment	28	–	**28**
Cash	873	–	**873**
Current assets	807	–	**807**
Current liabilities	(979)	–	**(979)**
Tax payable	(21)	–	**(21)**
Dividend payable	(604)	–	**(604)**
Deferred tax	3	(116)	**(113)**
Net assets acquired	107	308	**415**
Goodwill on acquisition			**469**
Total consideration for acquisition			**884**
Consideration contingent on continued employment			**1,710**
Total consideration and related employee benefits			**2,594**

Fair value adjustments included the recognition of the fair value of customer relationships and a related deferred tax liability.

The goodwill is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes.

Ownership and control passed to YouGov on 11 December 2017 and Galaxy has been consolidated within the Group financial statements from that date. During the year Galaxy has contributed £3,356,000 (2018: £1,501,000) to Group revenue and £414,000 (2018: £376,000) to Group adjusted operating profit.

Acquisition of SMG Insight Limited

On 22 May 2018, to provide YouGov with the opportunity to develop new syndicated data products for the sports industry, YouGov purchased the remaining 80% shareholding in SMG insight Limited ("SMG"), a UK-based research company in which it had previously held a 20% stake. Under the terms of the acquisition agreement an initial payment of £1m was paid upon completion with a further payment contingent upon the collection of trade receivables of up to £1m payable after the first year. The balance of the consideration is payable, contingent on EBITDA performance, in three annual instalments, with total consideration being capped at £21m.

At 31 July 2018 the total contingent consideration payable was estimated to be £5.7m. as a result of better forecast information, this was increased to £13.2m at 31 January 2019 with the increase of £7.5m being recognised in goodwill. At 31 July 2019 the total contingent consideration payable is forecast to be £10.0m and the reduction of £3.2m has been recognised in the income statement as a separately reported item.

In May 2019 a payment of £946,000 was made in respect of the consideration contingent on the collection of trade receivables with a further payment of £2,829,000 being made in June 2019 in respect of the first year of the consideration contingent upon EBITDA performance.

In addition transaction and integration costs of £228,000 were incurred in the prior year as a result of the acquisition, these have also been treated as excluded items and recognised in the income statement as separately reported items.

Fair value adjustments have been made to align SMG's accounting policies with those of YouGov and to account for the fair value of customer relationships and attributable deferred taxation of the business which are recognised upon acquisition.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

9 Business combinations and disposals continued

The amount recognised for each class of assets and liabilities acquired is as follow:

	Acquiree's carrying amount before combination £'000	Fair value adjustments £'000	**Fair value acquired £'000**
Intangible assets	–	1,483	**1,483**
Property, plant and equipment	18	3	**21**
Cash	121	–	**121**
Current assets	1,578	(33)	**1,545**
Current liabilities	(1,673)	(184)	**(1,857)**
Tax payable	(42)	–	**(42)**
Dividend payable	(1,101)	–	**(1,101)**
Deferred tax	36	(264)	**(228)**
Net assets acquired	(1,063)	1,005	**(58)**
Goodwill on acquisition			**17,857**
Total consideration for acquisition			**17,799**
Total consideration analysed as:			
Carrying value of investment			**–**
Re-measurement of investment to fair value			**3,560**
Initial cash payment			**1,000**
Consideration contingent on collection of trade receivables			**790**
Consideration contingent on EBITDA performance			**12,449**
Total consideration			**17,799**

The goodwill is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes.

Ownership and control passed to YouGov on 22 May 2018 and SMG has been consolidated within the Group financial statements from that date. Since 1 August 2018 the acquisition SMG has contributed £7,712,000 (2018: £789,000) to Group revenue and £923,000 to Group adjusted operating profit (2018: £6,000 reduction).

Acquisition of InConversation Media Limited

On 21 August 2018, to provide YouGov with technology to engage with new and difficult to reach audiences, YouGov purchased a 100% shareholding in InConversation Media Limited ("Inconvo"), a UK-based start-up company. An initial payment of £100 was paid upon completion with a further payment of up to £4,000,000 payable in September 2021 contingent on revenue achieved in the period to 31 July 2021 and the number of active panellists at that date.

The total contingent consideration is forecast to be £2,003,000. £1,383,000 of this amount, £1,366,000 at present value, is contingent upon continuing employment and therefore will be treated as staff compensation under IFRS, the remaining £620,000 is not contingent upon future employment and the present value of £605,000 is treated as consideration for acquisition.

In addition transaction costs of £93,000 were incurred as a result of the acquisition. These have also been recognised in the income statement as separately reported items.

Fair value adjustments have been made to account for the fair value of the panel and attributable deferred taxation recognised upon acquisition.

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9 Business combinations and disposals continued

The amount recognised for each class of assets and liabilities acquired is as follow:

	Acquiree's carrying amount before combination £'000	Fair value adjustments £'000	**Fair value acquired £'000**
Intangible assets	10	10	**20**
Property, plant and equipment	4	–	**4**
Cash	11	–	**11**
Current assets	17	–	**17**
Current liabilities	(28)	–	**(28)**
Loan payable	(125)	–	**(125)**
Deferred tax	20	(2)	**18**
Net assets acquired	(91)	8	**(83)**
Goodwill on acquisition			**688**
Total consideration for acquisition			**605**
Total consideration analysed as:			
Contingent consideration			**605**
Total consideration			**605**

The goodwill is attributable to the future benefit to YouGov of being able to engage with new and difficult to reach audiences. It will not be deductible for tax purposes.

Ownership and control passed to YouGov on 21 August 2018 and Inconvo has been consolidated within the Group financial statements from that date. In the period Inconvo has contributed £25,000 to Group revenue and reduced Group adjusted operating profit by £417,000. If the acquisition had occurred on 1 August 2018 Inconvo would have contributed £27,000 to Group revenue and would have reduced Group adjusted operating profit by £442,000.

Crunch.io Inc. asset and business purchase

On 6 September 2018, YouGov acquired the assets and business of Crunch.io Inc. ("Crunch"), including Crunch.io Inc.'s share of the jointly developed Crunch analytic software. This purchase has been treated as a business combination. The amount payable was $2,670,000 (£2,063,000) which was paid upon completion.

Transaction costs of £239,000 were incurred in respect of this purchase and these have been recognised in the income statement as separately reported items.

The amount recognised for each class of assets and liabilities acquired is as follow:

	Acquiree's carrying amount before combination £'000	Fair value adjustments £'000	**Fair value acquired £'000**
Intangible assets	–	1,442	**1,442**
Current assets	29	–	**29**
Loan payable	(77)	–	**(77)**
Net assets acquired	(48)	1,442	**1,394**
Goodwill on acquisition			**669**
Total consideration for acquisition paid in cash			**2,063**

Fair value adjustments have been made to recognise the fair value of the Crunch asset.

The goodwill is attributable to the future benefit of having full control over the Crunch Analytic Software. It will not be deductible for tax purposes.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

9 Business combinations and disposals continued

Ownership and control of Crunch passed to YouGov on 6 September 2018 and the business has been included within the Group financial statements from that date. In the period Crunch has contributed £113,000 to Group revenue and reduced Group adjusted operating profit by £1,658,000. If the business purchase had occurred on 1 August 2018 Crunch would have contributed £125,000 to Group revenue and would have reduced Group adjusted operating profit by £1,839,000.

Acquisition of Portent.io Limited

On 30 November 2018, in order to provide YouGov with access to the entertainment sector, YouGov purchased the remaining 65% shareholding in Portent.io Limited ("Portent") a UK-based social analytics company in which it had previously held a 35% shareholding. An initial payment of £227,000 was paid upon completion with an additional payment, payable in three annual instalments in December 2019 to 2021, contingent on EBITDA in the period from completion to 31 October 2021. The total consideration, including the payment already made, is capped at £20,000,000.

The total additional payment is forecast to be £5,860,000 equivalent to £5,800,000 at present value, and is contingent upon continuing employment and therefore will be treated as staff compensation under IFRS and recognised over the earn-out period ending on 31 October 2021.

In addition transaction costs of £408,000, including £205,000 which is contingent on EBITDA and payable in December 2021, were incurred as a result of the acquisition. These have also been recognised in the income statement in the period as separately reported items.

The amount recognised for each class of assets and liabilities acquired is as follow:

	Acquiree's carrying amount before combination £'000	Fair value adjustments £'000	**Fair value acquired £'000**
Intangible assets	–	1,035	**1,035**
Property, plant and equipment	1	–	**1**
Cash	–	–	**–**
Current assets	161	–	**161**
Current liabilities	(333)	–	**(333)**
Tax payable	(2)	–	**(2)**
Loans payable	(274)	–	**(274)**
Deferred tax	151	(194)	**(43)**
Net assets acquired	(296)	841	**545**
Bargain purchase on acquisition			**(232)**
Total consideration for acquisition			**313**
Total consideration analysed as:			
Carrying value of investment			**139**
Re-measurement of investment to fair value			**(53)**
Initial cash payment			**227**
Total consideration			**313**

Fair value adjustments have been made to align to account for the fair value of internally developed software and attributable deferred taxation recognised upon acquisition.

The bargain purchase amount has arisen because the contingent consideration is being accounted for as staff compensation. This amount has been recognised as a separately reported item in the period.

Ownership and control passed to YouGov on 30 November 2018 and Portent has been consolidated within the Group financial statements from that date. In the period Portent has contributed £138,000 to Group revenue and reduced Group adjusted operating profit by £180,000. If the acquisition had occurred on 1 August 2018. Portent would have contributed £207,000 to Group revenue and reduced Group adjusted operating profit by £270,000.

10 Goodwill

	Middle East £'000	USA £'000	Nordic £'000	Germany £'000	CoEditor £'000	Asia Pacific £'000	Galaxy £'000	SMG £'000	Crunch £'000	Inconvo £'000	Total £'000
Carrying amount at 1 August 2017	1,682	20,127	8,931	11,620	569	817	–	–	–	–	43,746
Additions through business combinations	–	–	–	–	–	–	469	8,026	–	–	8,495
Exchange differences	(7)	(71)	(52)	(49)	–	(7)	5	–	–	–	(181)
Carrying amount at 31 July 2018	**1,675**	**20,056**	**8,879**	**11,571**	**569**	**810**	**474**	**8,026**	**–**	**–**	**52,060**
Additions through business combinations	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**9,831**	**669**	**688**	**11,188**
Exchange differences	**136**	**1,634**	**225**	**324**	**–**	**68**	**2**	**–**	**–**	**–**	**2,389**
Carrying amount at 31 July 2019	**1,811**	**21,690**	**9,104**	**11,895**	**569**	**878**	**476**	**17,857**	**669**	**688**	**65,637**
At 31 July 2019											
Cost	**1,811**	**21,690**	**9,104**	**14,386**	**569**	**878**	**476**	**17,857**	**669**	**688**	**68,128**
Accumulated impairment	**–**	**–**	**–**	**(2,491)**	**–**	**–**	**–**	**–**	**–**	**–**	**(2,491)**
Net book amount	**1,811**	**21,690**	**9,104**	**11,895**	**569**	**878**	**476**	**17,857**	**669**	**688**	**65,637**

In accordance with the Group's accounting policy, the carrying values of goodwill and other intangible assets are reviewed annually for impairment. The cash-generating units ("CGUs") are consistent with those segments shown in Note 1. The 2019 impairment review was undertaken as at 31 July 2019. The recoverable amounts of all CGUs have been determined based on value in use calculations. This review assessed whether the carrying value of goodwill was supported by the net present value of future cash flows derived from assets using a projection period of five years for each CGU based on approved budget numbers.

The sources of the assumptions used in making the assessment are as follows:

- growth rates are internal forecasts based on both internal and external market information;
- margins reflect past experience, adjusted for expected changes;
- terminal growth rates based on management's estimate of future long-term average growth rates; and
- discount rates based on Group WACC, adjusted where appropriate.

Annual EBITDA growth rates of 2.25% have been assumed in perpetuity beyond year five. The pre-tax weighted average costs of capital used to discount the future cash flows to their present values are Middle East 10% (2018: 10%), USA 14% (2018: 17%), Nordic 13% (2018: 13%), Germany 15% (2018: 15%) and Asia Pacific 12% (2018: 12%).

Management has considered reasonable possible changes in the above key assumptions and performed sensitivity analyses under these scenarios. This analysis shows that sufficient headroom exists and would not give rise to any further impairment.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

11 Other intangible assets

	Consumer panel £'000	Software and software development £'000	Customer contracts and lists £'000	Patents and trademarks £'000	Product development costs £'000	Total £'000
At 1 August 2017						
Cost	19,768	23,374	5,548	3,581	900	53,171
Accumulated amortisation	(15,568)	(17,774)	(4,412)	(3,341)	(862)	(41,957)
Net book amount	4,200	5,600	1,136	240	38	11,214
Year ended 31 July 2018						
Opening net book amount	4,200	5,600	1,136	240	38	11,214
Additions:						
Separately acquired	2,834	404	–	39	–	3,277
Internally developed	–	3,928	–	–	12	3,940
Through business combinations	–	97	1,810	–	–	1,907
Amortisation charge:						
Separately acquired	(2,555)	(257)	–	(7)	(2)	(2,821)
Internally developed	–	(3,519)	–	–	–	(3,519)
Business combinations	–	(220)	(466)	–	–	(686)
Exchange differences	(5)	(1)	(9)	–	–	(15)
Closing net book amount	4,474	6,032	2,471	272	48	13,297
At 31 July 2018						
Cost	22,566	27,355	7,339	3,603	911	61,774
Accumulated amortisation	(18,092)	(21,323)	(4,868)	(3,331)	(863)	(48,477)
Net book amount	4,474	6,032	2,471	272	48	13,297
Year ended 31 July 2018						
Opening net book amount	**4,474**	**6,032**	**2,471**	**272**	**48**	**13,297**
Additions:						
Separately acquired	**3,952**	**667**	**–**	**28**	**–**	**4,647**
Internally developed	**–**	**4,806**	**–**	**–**	**–**	**4,806**
Through business combinations	**10**	**2,487**	**–**	**–**	**–**	**2,497**
Amortisation charge:						
Separately acquired	**(3,226)**	**(310)**	**–**	**(11)**	**–**	**(3,547)**
Internally developed	**–**	**(4,589)**	**–**	**–**	**–**	**(4,589)**
Business combinations	**(3)**	**(87)**	**(583)**	**–**	**–**	**(673)**
Reclassifications	**–**	**48**	**–**	**–**	**(48)**	**–**
Exchange differences	**245**	**13**	**37**	**4**	**–**	**299**
Closing net book amount	**5,452**	**9,067**	**1,925**	**293**	**–**	**16,737**
At 31 July 2019						
Cost	**17,184**	**32,872**	**5,232**	**1,389**	**873**	**57,550**
Accumulated amortisation	**(11,732)**	**(23,805)**	**(3,307)**	**(1,096)**	**(873)**	**(40,813)**
Net book amount	**5,452**	**9,067**	**1,925**	**293**	**–**	**16,737**

12 Property, plant and equipment

	Freehold property £'000	Leasehold property improvements £'000	Computer equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
At 1 August 2017						
Cost	1,682	1,312	3,787	1,788	158	8,727
Accumulated depreciation	(559)	(703)	(2,791)	(1,288)	(108)	(5,449)
Net book amount	1,123	609	996	500	50	3,278
Year ended 31 July 2018						
Opening net book amount	1,123	609	996	500	50	3,278
Additions:						
Separately acquired	–	16	791	144	18	969
Business combinations	–	4	1	44	–	49
Disposals	–	(2)	(6)	(4)	–	(12)
Depreciation	(82)	(231)	(679)	(216)	(23)	(1,231)
Exchange differences	(6)	(4)	(2)	(4)	–	(16)
Closing net book amount	1,035	392	1,101	464	45	3,037
At 31 July 2018						
Cost	1,675	1,336	4,322	1,909	167	9,409
Accumulated depreciation	(640)	(944)	(3,221)	(1,445)	(122)	(6,372)
Net book amount	1,035	392	1,101	464	45	3,037
Year ended 31 July 2019						
Opening net book amount	**1,035**	**392**	**1,101**	**464**	**45**	**3,037**
Additions:						
Separately acquired	**–**	**1,201**	**880**	**632**	**–**	**2,713**
Business combinations	**–**	**–**	**5**	**–**	**–**	**5**
Disposals	**–**	**(3)**	**–**	**(3)**	**–**	**(6)**
Depreciation	**(86)**	**(343)**	**(750)**	**(284)**	**(18)**	**(1,481)**
Exchange differences	**79**	**21**	**42**	**11**	**3**	**156**
Closing net book amount	**1,028**	**1,268**	**1,278**	**820**	**30**	**4,424**
At 31 July 2019						
Cost	**1,811**	**2,545**	**5,195**	**2,421**	**181**	**12,153**
Accumulated depreciation	**(783)**	**(1,277)**	**(3,917)**	**(1,601)**	**(151)**	**(7,729)**
Net book amount	**1,028**	**1,268**	**1,278**	**820**	**30**	**4,424**

All property, plant and equipment disclosed above in both the year ended 31 July 2019 and 31 July 2018, with the exception of those items held under lease purchase agreements, are free from restrictions on title.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

12 Property, plant and equipment continued

The net book value of assets held under finance leases is as follows:

	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
At 31 July 2018			
Cost	61	36	97
Accumulated depreciation	(61)	(36)	(97)
Net book amount	–	–	–
At 31 July 2019			
Cost	**62**	**37**	**99**
Accumulated depreciation	**(62)**	**(37)**	**(99)**
Net book amount	**–**	**–**	**–**

13 Investments

(a) Interests in subsidiaries

The table below gives details of the Group's subsidiaries at 31 July 2019. Registered addresses for all subsidiaries can be found in Note 24 to the Parent Company Financial Statements. All subsidiaries have coterminous year ends, except where indicated below, and are included in the consolidated financial statements.

	Country of incorporation	Class of share capital held	Proportion held: By parent company	Proportion held: By the Group	Nature of the business
YouGov Services Limited	UK	Ordinary	100%	100%	Software development
YouGov Stone Limited	UK	Ordinary	100%	100%	Dormant
CoEditor LTD	UK	Ordinary	100%	100%	Dormant
SMG Insight Limited	UK	Ordinary	100%	100%	Market research
Margaux Matrix Limited	UK	Ordinary	0%	100%	Market research
MMH 2014 Ltd	UK	Ordinary	0%	100%	Holding Company
Crunch Cloud Analytics Limited	UK	Ordinary	79.7%	79.7%	Software development
Inconversation Media Limited	UK	Ordinary	100%	100%	Market research
Portent.io Limited	UK	Ordinary	100%	100%	Market research
YouGov America Inc	USA	Ordinary	0%	100%	Market research
YouGov America Holdings LLC *	USA	Ordinary	100%	100%	Holding company
Crunch Cloud Analytics, LLC	USA	Ordinary	0%	100%	Market research
Portent Technologies Inc	USA	Ordinary	0%	100%	Market research
YouGov Research Canada Limited	Canada	Ordinary	100%	100%	Market research
YouGov Deutschland GmbH	Germany	Ordinary	100%	100%	Market research
YouGov Data & Analytics GmbH	Germany	Ordinary	100%	100%	Market research
YouGov Nordic and Baltic A/S	Denmark	Ordinary	100%	100%	Market research
YouGov Sweden AB	Sweden	Ordinary	0%	100%	Market research
YouGov Norway AS	Norway	Ordinary	0%	100%	Market research
YouGov Finland OY	Finland	Ordinary	0%	100%	Market research
YouGov M.E. FZ LLC	U.A.E.	Ordinary	100%	100%	Market research
YouGov M.E. Egypt LLC	Egypt	Ordinary	5%	100%	Dormant
Iridescent Productions Company Limited	Iraq	Ordinary	0%	100%	Media production
YouGov France SASU	France	Ordinary	100%	100%	Market research
YouGov Spain S.L.U	Spain	Ordinary	100%	100%	Market research
YouGov Italia Srl	Italy	Ordinary	100%	100%	Market research
Consilium Limited	Hong Kong	Ordinary	100%	100%	Market research
Consilium Asia Limited	China	Ordinary	0%	100%	Dormant
YouGov URC (Shanghai) Market Research Co., Ltd.	China	Ordinary	0%	90%	Market research
YouGov Singapore Pte Limited	Singapore	Ordinary	0%	100%	Market research
PT YouGov Consulting Indonesia	Indonesia	Ordinary	5%	100%	Market research
YouGov Malaysia SDN BHD	Malaysia	Ordinary	0%	100%	Market research
YouGov (Thailand) CO. LTD	Thailand	Ordinary	0%	100%	Market research
YouGov Research Pty Ltd.	Australia	Ordinary	100%	100%	Market research
YouGov Galaxy Pty Limited	Australia	Ordinary	0%	100%	Market research
YG Research India Private Limited	India	Ordinary	100%	100%	Market research
YouGov Poland Sp. z o.o.*	Poland	Ordinary	0%	100%	Software development
YouGov s.r.l.*	Romania	Ordinary	100%	100%	Operations services

* Year end is 31 December.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

13 Investments continued

(b) Interest in associates

	2019 £'000	2018 £'000
Investments in associates comprise:		
Carrying amount at 1 August	**191**	345
Share of net (loss)/profit of associates	**(52)**	66
Dividends received from associates	**–**	(220)
Consideration for business combination	**(139)**	–
Interest in associates at 31 July	**–**	191

The Group's share of the revenue and profit/(loss) after tax and assets and liabilities of associates is:

	SMG Insight Limited		Portent.io Limited	
	31 July 2019 £'000	31 July 2018 £'000	31 July 2019 £'000	31 July 2018 £'000
Revenue	**–**	1,256	**24**	129
(Loss)/Profit after tax	**–**	44	**(52)**	22
Non-current assets	**–**	–	**–**	–
Current assets	**–**	–	**–**	24
Current liabilities	**–**	–	**–**	(34)
Non-current liabilities	**–**	–	**–**	(19)
Net liabilities	**–**	–	**–**	(29)

14 Trade and other receivables

	31 July 2019 £'000	31 July 2018 £'000
Trade receivables	**19,235**	21,099
Provision for trade receivables	**(2,071)**	(1,226)
Net trade receivables	**17,164**	19,873
Other receivables	**4,357**	3,775
Prepayments	**3,482**	2,448
Accrued income	**8,723**	8,576
	33,726	34,672

The Directors consider that the carrying amount of trade and other receivables approximate to their fair value.

As at 31 July 2019, trade receivables of £10,129,000 (2018: £11,229,000) were overdue but not impaired. These relate to a number of customers for which there is no recent history of default or any other indication that the receivable should not be fully collectable. The ageing analysis of past due trade receivables which are not impaired is as follows:

	31 July 2019 £'000	31 July 2018 £'000
Up to three months overdue	**6,893**	5,833
Three to six months overdue	**2,018**	3,833
Six months to one year overdue	**772**	823
More than one year overdue	**446**	740
	10,129	11,229

14 Trade and other receivables continued

Movement on the Group provision for impairment of trade receivables is as follows:

	2019 £'000	2018 £'000
Provision for receivables impairment at 1 August as previously reported	**1,226**	544
Restatement on adoption of IFRS 9	**950**	–
Provision for receivables impairment at 1 August restated	**2,176**	544
Movement in the year (credited)/charged to the income statement	**(182)**	671
Exchange differences	**77**	11
Provision for receivables impairment at 31 July	**2,071**	1,226

The creation and release of the provision for impaired receivables has been included in the Consolidated Income Statement. The other classes within trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

The average length of time taken by customers to settle receivables is 46 days (2018: 56 days). Concentrations of credit risk do exist with certain clients with which we have trading relationships but none has a history of default and all command a certain stature within the marketplace, which minimises any potential risk of default. Material balances (defined as greater than £250,000 (2018: greater than £250,000)) represent 21% of trade receivables (2018: 40%).

15 Cash and cash equivalents

	31 July 2019 £'000	31 July 2018 £'000
Cash at bank and in hand	**37,925**	30,621
Cash and cash equivalents	**37,925**	30,621

Cash and cash equivalents are held at either variable rates or at rates fixed for periods of no longer than three months.

Cash and cash equivalents include the following for the purposes of the cash flows:

	31 July 2019 £'000	31 July 2018 £'000
Cash and cash equivalents	**37,925**	30,621
Cash and cash equivalents	**37,925**	30,621

16 Trade and other payables

	31 July 2019 £'000	31 July 2018 £'000
Trade payables	**2,355**	2,787
Accruals	**17,050**	13,808
Deferred income	**14,469**	12,521
Other payables	**6,167**	5,882
	40,041	34,998

Included within other payables are £263,000 (2018: £80,000) of contributions due in respect of defined contribution pension schemes.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

17 Contingent consideration

	Galaxy DP Pty Ltd £'000	SMG Insight Ltd £'000	Inconversation Media Ltd £'000	Portent.io Ltd £'000	Total £'000
At 1 August 2017	–	–	–	–	–
Acquisition consideration provided during the year	184	5,727	–	–	5,911
Contingent staff cost provided during the year	785	–	–	–	785
Settled during the year	(190)	–	–	–	(190)
Discount unwinding	5	9	–	–	14
Foreign exchange differences	(1)	–	–	–	(1)
Balance at 31 July 2018	**783**	**5,736**	**–**	**–**	**6,519**
Included within current liabilities	510	899	–	–	1,409
Included within non-current liabilities	273	4,837	–	–	5,110
Acquisition consideration provided during the year	**–**	**7,513**	**605**	**–**	**8,118**
Decrease recognised in income statement in the year	**–**	**(3,192)**	**–**	**–**	**(3,192)**
Contingent staff cost provided during the year	**729**	**–**	**433**	**1,672**	**2,834**
Contingent transaction costs	**–**	**–**	**–**	**201**	**201**
Settled during the year	**(745)**	**(3,775)**	**–**	**–**	**(4,520)**
Discount unwinding	**8**	**88**	**6**	**5**	**107**
Foreign exchange differences	**3**	**–**	**–**	**–**	**3**
Balance at 31 July 2019	**778**	**6,370**	**1,044**	**1,878**	**10,070**
Included within current liabilities	**778**	**2,013**	**–**	**–**	**2,791**
Included within non-current liabilities	**–**	**4,357**	**1,044**	**1,878**	**7,279**

The minimum and maximum amounts payable are as follows

	Galaxy DP Pty Ltd £'000	SMG Insight Ltd £'000	Inconversation Media Ltd £'000	Portent.io Ltd £'000	Total £'000
Minimum amount payable	**–**	**–**	**3**	**–**	**3**
Maximum amount payable	**1,179**	**16,225**	**4,000**	**19,773**	**41,177**

The value of contingent consideration payable is estimated by applying earn-out multiples as defined in purchase agreements to management forecast and discounting the resulting amount payable to present value.

18 Provisions

	Panel incentives £'000	Staff gratuity £'000	Total £'000
At 1 August 2017	6,655	316	6,971
Provided during the year	8,306	282	8,588
Utilised during the year	(7,655)	(162)	(7,817)
Discount unwinding	61	–	61
Foreign exchange differences	(14)	2	(12)
Balance at 31 July 2018	**7,353**	**438**	**7,791**
Included within current liabilities	3,689	102	3,791
Included within non-current liabilities	3,664	336	4,000
Provided during the year	**10,550**	**296**	**10,846**
Utilised during the year	**(9,248)**	**(169)**	**(9,417)**
Discount unwinding	**110**	**–**	**110**
Foreign exchange differences	**273**	**(49)**	**224**
Balance at 31 July 2019	**9,038**	**516**	**9,554**
Included within current liabilities	**4,931**	**–**	**4,931**
Included within non-current liabilities	**4,107**	**516**	**4,623**

The panel incentive provision represents the Directors' best estimate of the future liability in relation to the value of panel incentives that have accrued in the panellists' virtual accounts up to 31 July 2019. The provision of £9.0m represents 46% of the maximum potential liability of £19.8m (2018: £7.4m representing 45% of the maximum potential liability of £16.4m). The factors considered in estimating the appropriate percentage of the total potential liability to be provided against at each reporting date include: panel churn rates, panel activity rates, current redemption patterns and the time value of money.

The staff gratuity provision is a statutory obligation under UAE labour law, whereby each employee on termination of their contract is due a payment dependent upon their number of years' service and nature of the termination. The liability of £0.5m at 31 July 2019 (2018: £0.4m) represents the liability that the Group is obliged to pay as at the reporting date weighted against historical rates of resignation and redundancy.

19 Deferred tax assets and liabilities

Deferred tax asset	Intangible assets £'000	Property, plant and equipment £'000	Tax losses £'000	Share based payments £'000	Other timing differences £'000	Total £'000
Balance at 1 August 2017	210	135	2,945	1,492	1,272	6,054
Acquired on business combination	–	–	–	–	16	16
Recognised in the income statement	217	3	606	513	226	1,565
Recognised in equity	–	–	–	1,794	–	1,794
Foreign exchange differences	6	–	65	–	(66)	5
Balance at 31 July 2018 as originally presented	433	138	3,616	3,799	1,448	9,434
Change in accounting policy (Note 27)	–	–	–	–	186	186
Restated balance at 1 August 2018	**433**	**138**	**3,616**	**3,799**	**1,634**	**9,620**
Acquired on business combination	**–**	**–**	**156**	**–**	**–**	**156**
Recognised in the income statement	**(175)**	**328**	**(501)**	**145**	**(401)**	**(604)**
Recognised in equity	**–**	**–**	**–**	**1,754**	**–**	**1,754**
Foreign exchange differences	**7**	**23**	**136**	**–**	**116**	**282**
Balance at 31 July 2019	**265**	**489**	**3,407**	**5,698**	**1,349**	**11,208**

£7,459,000 (2018: £946,000) of the above deferred tax assets are expected to be recovered within one year.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

19 Deferred tax assets and liabilities continued

The deferred taxation asset in respect of income tax losses are broken down by jurisdiction as follows:

	31 July 2019 £'000	31 July 2018 £'000
UK	**3,965**	484
Nordic	**1,079**	891
Germany	**1,788**	2,121
Other	**144**	120
	3,407	3,616

Utilisation of tax losses is dependent upon future profits being generated and deferred tax assets have been recognised only to the extent where management budgets and forecasts show sufficient profits being generated to discharge these. Losses were incurred in the year in Asia Pacific and there is significant uncertainty around the recoverability of the deferred tax assets in this jurisdiction, therefore tax losses in this region of £928,000 (2018: £829,000) have not been recognised. Based on management forecasts and after carrying out sensitivity analysis, the deferred tax assets in Germany and the Nordics are considered recoverable.

Deferred tax liabilities	Intangible assets £'000	Property, plant and equipment £'000	Other timing differences £'000	Total £'000
Balance at 1 August 2017	1,280	–	403	1,683
Acquired on business combination	383	–	–	383
Recognised in the income statement	113	–	(44)	69
Foreign exchange differences	(3)	–	(4)	(7)
Balance at 31 July 2018	**1,773**	**–**	**355**	**2,128**
Acquired on business combination	**148**	**–**	**–**	**148**
Recognised in the income statement	**(80)**	**33**	**(100)**	**(147)**
Foreign exchange differences	**18**	**1**	**10**	**29**
Balance at 31 July 2019	**1,859**	**34**	**265**	**2,158**

£840,000 (2018: £190,000) of the above deferred tax liabilities are expected to be paid within one year.

The net movement on the deferred income tax account is as follows:

	2019 £'000	2018 £'000
Balance at 1 August as originally presented	**7,306**	4,371
Change in accounting policy (Note 27)	**186**	–
Restated balance at 1 August	**7,492**	4,371
Acquired on business combination	**8**	(367)
Recognised in the income statement	**(457)**	1,496
Recognised in equity	**1,754**	1,794
Foreign exchange differences recognised in other comprehensive income	**253**	12
Balance at 31 July	**9,050**	7,306

20 Risk management objectives and policies

The Group is exposed to foreign currency, capital, liquidity and interest rate risk, which result from both its operating and investing activities. The Group's risk management is coordinated in close cooperation with the Board of Directors, and focuses on actively securing the Group's short-to-medium-term cash flows by minimising the exposure to financial markets. The most significant financial risks to which the Group is exposed are described below. Also refer to the accounting policies.

Foreign currency risk

The Group is exposed to translation and transaction foreign exchange risk. The currencies where the Group is most exposed to volatility are US Dollars, Euro and UAE Dirham. Currently, the Group aims to align assets and liabilities in a particular market. The Group will continue to review its currency risk position as the overall business profile changes.

The presentational and transactional currency of the Group is considered to be UK Sterling.

Foreign currency denominated financial assets and liabilities, translated into UK Sterling at the closing rate are as follows:

	2019 £'000				2018 £'000			
	US Dollar	**Euro**	**UAE Dirham**	**Other currencies**	US Dollar	Euro	UAE Dirham	Other currencies
Financial assets	**35,709**	**7,710**	**1,738**	**9,466**	24,844	6,430	2,274	8,338
Financial liabilities	**(7,673)**	**(2,322)**	**(1,056)**	**(4,612)**	(7,237)	(1,840)	(844)	(3,999)
Short-term exposure	**28,036**	**5,388**	**682**	**4,854**	17,607	4,590	1,430	4,339
Financial assets	**–**	**–**	**–**	**–**	–	–	–	–
Financial liabilities	**–**	**–**	**–**	**–**	–	–	–	(273)
Long-term exposure	**–**	**–**	**–**	**–**	–	–	–	(273)

The effect of UK Sterling strengthening by 1% against our subsidiaries' functional currencies (US Dollar, Euro, UAE Dirham and other currencies) would have had the following impact upon translation:

	2019 £'000				2018 £'000			
	US Dollar	**Euro**	**UAE Dirham**	**Other currencies**	US Dollar	Euro	UAE Dirham	Other currencies
Net result for the year	**(104)**	**(10)**	**(9)**	**13**	(54)	5	(8)	29
Equity	**(459)**	**(142)**	**(116)**	**(3)**	(269)	(53)	(123)	56

If the UK Sterling had weakened by 1% against the US Dollar, Euro, UAE Dirham and other currencies the inverse of the impact above would apply.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The Group currently has no general borrowing arrangement in place (although specific fixed value borrowings are held within the Group) and prepares cash flow forecasts which are reviewed at Board meetings to ensure liquidity.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

20 Risk management objectives and policies continued

As at 31 July 2019, the Group's liabilities have undiscounted contractual maturities, which are summarised below:

At 31 July 2019	Current: Within 6 months £'000	Current: 6 to 12 months £'000	Non-current: 1 to 5 years £'000	Non-current: Later than 5 years £'000
Contingent consideration	**778**	**2,013**	**7,279**	**–**
Trade and other payables	**8,018**	**504**	**–**	**–**

This compares to the maturity of the Group's financial liabilities in the previous reporting period as follows:

At 31 July 2018	Current: Within 6 months £'000	Current: 6 to 12 months £'000	Non-current: 1 to 5 years £'000	Non-current: Later than 5 years £'000
Contingent consideration	510	899	5,110	–
Trade and other payables	8,536	130	–	–

The Group has sufficient financial risk management policies in place to ensure that all trade payables are settled within the respective credit period.

Capital risk management

The Group manages its capital to ensure that all entities within the Group are able to continue as a going concern. The Board has taken the decision at this stage to minimise external debt, whilst trying to maximise earnings from the cash currently held. Capital consists of the following items:

	31 July 2019 £'000	31 July 2018 £'000
Cash and cash equivalents	**37,925**	30,621
Equity attributable to shareholders of the parent company	**(108,582)**	(92,071)
	(70,657)	(61,450)

The Group has no externally imposed capital requirements.

Interest rate risk

The Group manages its interest rate risk by negotiating fixed interest rates on deposits for periods of up to three months.

The average cash and cash equivalents balance, net of bank overdrafts, over the course of the year was £33.5m (2018: £26.7m). Management does not believe that the Group is subject to material interest rate risk.

Fair values of financial assets and financial liabilities

Where market values are not available, fair values of financial assets and financial liabilities have been calculated by discounting expected future cash flows at prevailing interest rates and by applying year-end foreign exchange rates.

Primary financial instruments held or issued to finance the Group's operations:

	31 July 2019: Book value £'000	31 July 2019: Fair value £'000	31 July 2018: Book value £'000	31 July 2018: Fair value £'000
Trade and other receivables	**30,244**	**30,244**	32,224	32,224
Cash and cash equivalents	**37,925**	**37,925**	30,621	30,621
Trade and other payables	**(25,571)**	**(25,571)**	(22,474)	(22,474)
Contingent consideration	**(10,070)**	**(10,070)**	(6,519)	(6,519)
Bank overdrafts	**–**	**–**	–	–

20 Risk management objectives and policies continued

Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

	31 July 2019 £'000				31 July 2018 £'000			
Liabilities	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Contingent consideration	**–**	**–**	**10,070**	**10,070**	–	–	6,519	6,519

The following table presents the changes in Level 3 instruments.

Contingent consideration	**2019 £'000**	2018 £'000
Balance at 1 August	**6,519**	–
Provided consideration on business combination	**8,118**	5,911
Recognised in the income statement	**(50)**	799
Settled	**(4,520)**	(190)
Foreign exchange differences	**3**	(1)
Balance at 31 July	**10,070**	6,519

21 Share capital and share premium

The Company only has one class of share. Par value of each Ordinary Share is 0.2p (2018: 0.2p). All issued shares are fully paid.

	Number of shares	**Share capital £'000**	**Share premium £'000**	**Total £'000**
At 1 August 2017	105,298,709	211	31,261	31,472
Issue of shares	193,101	–	39	39
At 31 July 2018 and 1 August 2018	**105,491,810**	**211**	**31,300**	**31,511**
Issue of shares	**218,193**	**–**	**45**	**45**
At 31 July 2019	**105,710,003**	**211**	**31,345**	**31,556**

During the year, 208,078 shares were issued on the exercise of share options and 10,115 in payment of Non-Executive Directors' fees. A total of 755,000 shares were repurchased for the purposes of settling share option schemes as they vest.

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

22 Share-based payments

The charge in relation to the share-based payments in the year ended 31 July 2019 was £2,401,000 (2018: £3,571,000). Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the year are as follows:

Long Term Incentive Plan 2009

During the year ended 31 July 2019, the Long Term Incentive Plan 2009 ("LTIP 2009") for Executive Directors, Senior Executives and Senior Managers continued to operate but no new awards were made under the LTIP 2009 as it has been replaced by two new incentive plans summarised below. The rules governing the LTIP 2009 are summarised in the Directors' report on remuneration on pages 58 to 59. The charge in relation to the LTIP 2009 in the year ended 31 July 2019 was £Nil (2018: £Nil).

	2019 Number	2018 Number
Outstanding at the beginning of the year	**814,128**	865,522
Exercised during the year	**(92,183)**	(51,394)
Outstanding at the end of the year	**721,945**	814,128
Exercisable at the end of the year	**721,945**	814,128

The weighted average share price at the date LTIP 2009 options were exercised was £4.65. All of the above are nil cost options.

Long Term Incentive Plan 2014

Awards under the Long Term Incentive Plan 2014 ("LTIP 2014") were made in the form of nil-cost options as with the LTIP 2009. The maximum total number of shares awarded to each participant set based on their salary in the year ended 31 July 2015 and the share price at the start of the plan. These awards were granted in three equal tranches in October 2015, 2016 and 2017 with an additional award of 396,039 options in April 2018. Receipt of an award in each of those years was dependent upon the achievement of specific and demanding personal targets set for that individual in the previous financial year. Vesting of awards will depend on the Company achieving stretching targets relating to compound growth in adjusted earnings per share ("EPS") over the five years ending 31 July 2019 and on improvement in its operating margins. Part of the Chief Executive Officer's award is also subject to a Total Shareholder Return ("TSR") condition, this part of the award will only vest if the EPS performance condition is met in full and the Company's TSR has grown by 200%.

The maximum number of options that can be granted under this scheme is 6,924,000 and the charge in relation to the LTIP 2014 in the year ended 31 July 2019 was £2,002,000 (2018: £3,222,000).

	2019 Number	2018 Number
Outstanding at the beginning of the year	**6,725,406**	4,394,432
Granted during the year	**–**	2,330,974
Exercised during the year	**–**	–
Forfeited during the year	**–**	–
Outstanding at the end of the year	**6,725,406**	6,725,406
Exercisable at the end of the year	**–**	–

All of the above are nil cost options.

The fair value of the options granted in the year was determined using the Black Scholes model. The following assumptions were used in both the Black Scholes model, in calculating the fair values of the options granted during the year.

	2019 Awards	2018 Awards
Share price	**–**	3.61
Exercise price	**–**	£0.00
Expected volatility	**–**	27%
Expected life	**–**	1.5 Years
Dividend yield	**–**	0.8%
Risk-free interest rate	**–**	0.45%

22 Share-based payments continued

Deferred Share Bonus Plan 2014

The Deferred Share Bonus Plan 2014 ("DSBP 2014") delivers a portion of managers' (enhanced) annual bonus in shares which must be retained for a period of two years and are subject to continued employment. The charge in relation to the DSBP 2014 in the year ended 31 July 2019 was £398,000 (2018: £349,000).

	2019 Number	2018 Number
Outstanding at the beginning of the year	**370,722**	375,508
Granted during the year	**99,632**	152,012
Vested during the year	**(115,895)**	(131,516)
Forfeited during the year	**(21,377)**	(25,282)
Outstanding at the end of the year	**333,082**	370,722
Exercisable at the end of the year	**112,180**	75,575

The weighted average share price at the date DSBP options were exercised was £4.40. All of the above are nil cost options.

The fair value of the options granted in the year was determined using the Black Scholes model. The following assumptions were used in the Black Scholes model in calculating the fair value of the options granted during the year:

	2019 £'000
Share price	**£4.325**
Exercise price	**£0.00**
Expected volatility	**29.5%**
Expected life	**2 Years**
Dividend yield	**0.60%**
Risk-free interest rate	**0.70%**

The fair value of options granted during the year determined using the Black Scholes model was £4.27 per option.

The aggregate profit and loss charge for share-based payments is disclosed in Note 2.

23 Leasing commitments

The future aggregate minimum lease rentals to be paid under non-cancellable operating leases at 31 July 2019 are as follows:

	31 July 2019		31 July 2018	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
In one year or less	**2,855**	**199**	2,437	175
Between one and five years	**6,344**	**134**	4,395	226
In five years or more	**2,491**	**–**	12	–
	11,690	**333**	6,844	401

The lease rental costs charged to the income statement for the year ended 31 July 2019 amounted to £3,139,000 (2018: £2,207,000).

Notes to the Consolidated financial statements

for the year ended 31 July 2019 continued

24 Capital commitments

At 31 July 2019, the Group had capital commitments of £Nil (2018: £50,000).

25 Major non-cash transactions

During the year, the Group entered into barter transactions with parties in the Middle East and Germany with a total value of £652,000 (2018: £606,000) to exchange the provision of market research for advertising on television, on websites and in magazines.

26 Transactions with Directors and other related parties

Other than emoluments and the transactions set out below, there have been no transactions with Directors during the year.

As at 31 July 2019, Rosamund Shakespeare, the wife of Stephan Shakespeare, held 559,404 Ordinary Shares in the Company.

On 10 December 2013, YouGov plc entered into a joint development agreement with Crunch.io Inc, a US company in which Doug Rivers, a senior manager of YouGov plc, had an equity interest of 40%. YouGov and Crunch.io Inc agreed jointly to fund the development of a cloud-based data analytics software application in which both parties have usage rights. On 6 September 2018 the joint development agreement was terminated and YouGov purchased the business of Crunch.io Inc including the Crunch software asset for $2,670,000 (£2,063,000).

Trading between YouGov plc and Group companies is excluded from the related party Note as this has been eliminated on consolidation.

27 Impact of new accounting standards

This note explains the impact of the adoption of IFRS 9 and IFRS 15 on the Group's financial statements.

IFRS 9

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities and the impairment of financial assets.

The adoption of IFRS 9 from 1 August 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The Group's trade receivables and accrued income from sales of products are subject to the new expected credit loss model. In accordance with the transitional provisions in paragraphs 7.2.15 and 7.2.26 of IFRS 9, comparative figures have not been restated. The reclassifications and the adjustments arising from the new impairment rules are therefore recognised in the opening balance sheet on 1 August 2018.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets. This resulted in an increase of the loss allowance on 1 August 2018 of £950,000 for trade receivables and £136,000 for accrued income with a reduction in VAT payable of £159,000 and the recognition of an associated deferred tax asset of £186,000. The interest impact of IFRS 9 was immaterial. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was also immaterial.

IFRS 15

The adoption of IFRS 15 from 1 August 2018 resulted in changes in accounting policies relating to revenue recognition. The new accounting policies have not materially altered the revenue recognised by the Group in prior financial years and so restatement of prior year comparatives is not necessary.

27 Impact of new accounting standards continued

Impact on the financial statements

The impact of the change in impairment methodology on the Group's retained earnings and equity is disclosed in the table below. Line items that were not affected by the changes have not been included.

	Balance sheet as at 31 July 2018 £'000	Restatement for IFRS 9 £'000	Balance sheet as at 1 August 2018 £'000
Deferred tax asset	9,434	186	**9,620**
Total non-current assets	78,019	186	**78,205**
Bad debt provision	(1,226)	(950)	**(2,176)**
Accrued income	8,576	(136)	**8,440**
Trade and other receivables	34,672	(1,086)	**33,586**
Total current assets	66,735	(1,086)	**65,649**
Total assets	144,754	(900)	**143,854**
Other payables	5,882	(159)	**5,723**
Total current liabilities	41,445	(159)	**41,286**
Total liabilities	52,683	(159)	**52,524**
Net assets	92,071	(741)	**91,330**
Retained earnings	36,290	(741)	**35,549**
Total equity	92,071	(741)	**91,330**

The adoption of IFRS 15 has not impacted the financial statements in the period.

28 Events after the reporting year

There have been no events after the end of the reporting year.

Independent auditors' report to the members of YouGov plc

Report on the audit of the Parent Company financial statements

Opinion

In our opinion, YouGov plc's Parent Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Parent Company's affairs as at 31 July 2019 and of its cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2019 (the "Annual Report"), which comprise: the Parent Company Statement of Financial Position as at 31 July 2019; the Parent Company Statement of Cash Flows; the Parent Company Statement of Changes in Equity for the year then ended; the accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview

- Overall materiality: £422,000, based on 5% of profit before tax. This is a change from our 2018 audit where our materiality (£305,000) was based on 1% of revenues. We now consider profit before tax to be the most appropriate benchmark used in assessing the performance of the Parent Company.
- The Parent Company was audited by the Group audit team based in London.
- We have no key audit matters to report.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We determined that there were no key audit matters applicable to the Parent Company to communicate in our report.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Parent Company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£422,000 (2018: £305,000).
How we determined it	5% of profit before tax.
Rationale for benchmark applied	This year we have used profit before tax as we have adjudged this to be a key metric by which shareholders measure performance. This is a change from our 2018 audit where our materiality was based on 1% of revenues. We now consider profit before tax to be the most appropriate benchmark used in assessing the performance of the Parent Company.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £21,000 (2018: £13,500) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

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

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Parent Company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Parent Company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of YouGov plc

Report on the audit of the Parent Company financial statements continued

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 July 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Parent Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 71, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they 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.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Parent Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Other matter

We have reported separately on the Group financial statements of YouGov plc for the year ended 31 July 2019.

Brian Henderson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
8 October 2019

Parent Company Statement of Financial Position

as at 31 July 2019

	Note	**31 July 2019 £'000**	31 July 2018 £'000
Assets			
Non-current assets			
Intangible assets	33	**2,065**	1,859
Property, plant and equipment	34	**1,869**	410
Investment in subsidiaries	35	**61,743**	49,893
Investments in associates	36	**–**	280
Deferred tax assets	42	**3,405**	2,607
Total non-current assets		**69,082**	55,049
Current assets			
Trade and other receivables	37	**48,397**	36,359
Cash and cash equivalents	38	**3,928**	12,136
Total current assets		**52,325**	48,495
Total assets		**121,407**	103,544
Liabilities			
Current liabilities			
Trade and other payables	39	**30,035**	21,152
Current tax liabilities		**1,123**	494
Contingent consideration	40	**2,013**	899
Provisions	41	**2,302**	1,628
Total current liabilities		**35,473**	24,173
Net current assets		**16,852**	24,322
Non-current liabilities			
Provisions	41	**1,684**	1,005
Contingent consideration	40	**7,279**	4,837
Deferred tax liabilities	42	**32**	–
Total non-current liabilities		**8,995**	5,842
Total liabilities		**44,468**	30,015
Net assets		**76,939**	73,529
Equity			
Issued share capital	44	**211**	211
Share premium	44	**31,345**	31,300
Merger reserve		**9,239**	9,239
Retained earnings:			
As at 1 August		**32,779**	25,566
Profit for the year		**7,620**	5,022
Other changes in retained earnings		**(4,255)**	2,191
Retained earnings as at 31 July		**36,144**	32,779
Total equity		**76,939**	73,529

The notes and accounting policies on pages 128 to 142 form an integral part of these financial statements. The financial statements on pages 126 to 142 were authorised for issue by the Board of Directors on 8 October 2019 and signed on its behalf by:

Alex McIntosh,
Chief Financial Officer

YouGov plc
Registered No. 03607311

Parent Company Statement of Changes in Equity

for the year ended 31 July 2019

	Note	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 31 August 2017		211	31,261	9,239	25,566	66,277
Profit for the year		–	–	–	5,022	5,022
Total comprehensive income for the year		–	–	–	5,022	5,022
Dividends paid	32	–	–	–	(2,106)	(2,106)
Share-based payments	45	–	39	–	3,571	3,610
Tax in relation to share-based payments	42	–	–	–	726	726
Total transactions with owners recognised directly in equity		–	39	–	2,191	2,230
Balance at 31 July 2018 as originally presented		211	31,300	9,239	32,779	73,529
Change in accounting policy	50	–	–	–	(578)	(578)
Restated total equity at 1 August 2018		**211**	**31,300**	**9,239**	**32,201**	**72,951**
Profit for the year		**–**	**–**	**–**	**7,620**	**7,620**
Total comprehensive income for the year		**–**	**–**	**–**	**7,620**	**7,620**
Issue of shares	44	**–**	**45**	**–**	**–**	**45**
Acquisition of treasury shares	44	**–**	**–**	**–**	**(3,738)**	**(3,738)**
Dividends paid	32	**–**	**–**	**–**	**(3,167)**	**(3,167)**
Share-based payments	45	**–**	**–**	**–**	**2,401**	**2,401**
Tax in relation to share-based payments	42	**–**	**–**	**–**	**827**	**827**
Total transactions with owners recognised directly in equity		**–**	**45**	**–**	**(3,677)**	**(3,632)**
Balance at 31 July 2019		**211**	**31,345**	**9,239**	**36,144**	**76,939**

The notes and accounting policies on pages 128 to 142 form an integral part of these financial statements.

Parent Company Statement of Cash Flows
for the year ended 31 July 2019

	Note	2019 £'000	2018 £'000
Cash flows from operating activities			
Profit before taxation		**8,445**	5,694
Adjustments for:			
Finance income		**(2,550)**	(1,170)
Finance costs		**452**	391
Amortisation of intangibles	33	**1,106**	964
Depreciation	34	**527**	262
Share-based payments	31,45	**708**	1,317
Other non-cash profit items		**(2,651)**	(1,519)
Increase in trade and other receivables		**(6,094)**	(623)
Increase in trade and other payables		**5,965**	1,357
Increase in provisions		**1,337**	295
Cash generated from operations		**7,245**	6,968
Interest paid		**(278)**	–
Income taxes paid		**–**	(796)
Net cash generated from operating activities		**6,967**	6,172
Cash flow from investing activities			
Acquisition of subsidiaries		**(228)**	(1,104)
Settlement of contingent consideration	40	**(3,775)**	–
Purchase of property, plant and equipment	34	**(1,986)**	(142)
Purchase of intangible assets	33	**(6,182)**	(930)
Proceeds from the sale of intangible assets	33	**4,870**	–
Interest received		**350**	21
Dividends received from subsidiaries		**2,200**	–
Net cash used in investing activities		**(4,751)**	(2,155)
Cash flows from financing activities			
Intercompany loans provided		**(3,701)**	(1,084)
Proceeds from the issue of share capital	44	**45**	–
Purchase of treasury shares		**(3,738)**	–
Dividends paid to shareholders	32	**(3,167)**	(2,106)
Net cash used in financing activities		**(10,562)**	(3,190)
Net (decrease)/increase in cash and cash equivalents		**(8,345)**	827
Cash and cash equivalents at beginning of year		**12,136**	11,184
Exchange gain on cash and cash equivalents		**137**	125
Cash and cash equivalents at end of year	38	**3,928**	12,136

The notes and accounting policies on pages 128 to 142 form an integral part of these financial statements..

Notes to the Parent Company financial statements

for the year ended 31 July 2019

29 Significant accounting policies

The separate financial statements of the Company are presented as required by the Companies Act 2006. As permitted by that Act, the separate financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), IFRS Interpretations Committee (IFRS IC) Interpretations (as adopted by the EU) and the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are the same as those set out in the consolidated financial statements with the addition of the policies noted below.

Investments in subsidiary undertakings and investments in associates are stated at cost less provisions for impairment. Investments are reviewed for impairment if there are indicators that the carrying value may not be recoverable.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

In the process of applying the Company's accounting policies the Directors are required to make estimates and judgements that may affect the financial statements. These estimates and judgements are the same as those applied for the Group financial statements.

From 1 August 2019 the Company will be required to adopt IFRS 16, "Leases": This standard replaces the current guidance in IAS 17 and is a far-reaching change in accounting by lessees in particular. Management has assessed the value of all leases for which the Group is liable for as at 1 August 2019 and determined that a total lease liability of £6,749,000 will need to be recognised at the adoption date. The corresponding right of use asset is valued at £6,685,000. The depreciation expense for the year ending 31 July 2020 is estimated to be £828,000, with interest costs of £158,000. The standard will be adopted using full retrospective application, with restated comparative results provided.

30 Profit of the parent company

The parent company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The parent company's profit for the year was £7,620,000 (2018: £5,022,000).

31 Staff costs and numbers

Staff costs (including Directors) charged to operating expenses during the year were as follows:

	2019 **£'000**	2018 £'000
Wages and salaries	**11,429**	10,298
Social security costs	**1,806**	1,580
Share-based payments (Note 45)	**708**	1,317
Other pension costs	**482**	396
Other benefits	**2,715**	2,520
Acquisition consideration	**2,105**	–
	19,245	16,111

Pension costs are contributions made on behalf of employees to defined contribution pension schemes. Other benefits include staff bonuses paid in cash and private healthcare insurance.

31 Staff costs and numbers continued

The monthly average number of employees including Directors of the Company during the year was as follows:

	2019 Number	2018 Number
Key management personnel	**19**	16
Administration and operations	**216**	203
	235	219

Specific disclosures in relation to compensation for key management personnel (defined as Board and Divisional, Product and Function Heads) who held office during the year was as follows:

	2019 £'000	2018 £'000
Short-term employee benefits	**2,889**	2,030
Post-employment benefits	**54**	26
Share-based payments	**637**	1,271
	3,580	3,327

Disclosure of Directors' remuneration, including share options, are included in the Remuneration Report on pages 62 to 64.

32 Dividend

See Note 7 in the Group financial statements.

33 Intangible assets

	Consumer panel £'000	Software and software development £'000	Patents and trademarks £'000	Product development costs £'000	Total £'000
At 1 August 2017					
Cost	3,450	2,758	188	518	6,914
Accumulated amortisation	(1,992)	(2,549)	–	(480)	(5,021)
Net book amount	1,458	209	188	38	1,893
Year ended 31 July 2018					
Opening net book amount	1,458	209	188	38	1,893
Additions	589	291	38	12	930
Amortisation charge	(744)	(218)	–	(2)	(964)
Closing net book amount	1,303	282	226	48	1,859
At 31 July 2018 and 1 August 2018					
Cost	4,039	3,049	226	530	7,844
Accumulated amortisation	(2,736)	(2,767)	–	(482)	(5,985)
Net book amount	1,303	282	226	48	1,859
Year ended 31 July 2019					
Opening net book amount	**1,303**	**282**	**226**	**48**	**1,859**
Additions	**1,029**	**5,124**	**29**	**–**	**6,182**
Disposals	**–**	**(4,822)**	**–**	**(48)**	**(4,870)**
Amortisation charge	**(913)**	**(193)**	**–**	**–**	**(1,106)**
Closing net book amount	**1,419**	**391**	**255**	**–**	**2,065**
At 31 July 2019					
Cost	**5,068**	**3,350**	**255**	**482**	**9,155**
Accumulated amortisation	**(3,649)**	**(2,959)**	**–**	**(482)**	**(7,090)**
Net book amount	**1,419**	**391**	**255**	**–**	**2,065**

Notes to the Parent Company financial statements

for the year ended 31 July 2019 continued

34 Property, plant and equipment

	Leasehold property improvements £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
At 1 August 2017				
Cost	633	672	529	1,834
Accumulated depreciation	(442)	(456)	(406)	(1,304)
Net book amount	191	216	123	530
Year ended 31 July 2018				
Opening net book amount	191	216	123	530
Additions	–	109	33	142
Depreciation	(92)	(131)	(39)	(262)
Closing net book amount	99	194	117	410
At 31 July 2018 and 1 August 2018				
Cost	633	781	562	1,976
Accumulated depreciation	(534)	(587)	(445)	(1,566)
Net book amount	99	194	117	410
Year ended 31 July 2019				
Opening net book amount	**99**	**194**	**117**	**410**
Additions	**1,137**	**248**	**601**	**1,986**
Depreciation	**(245)**	**(157)**	**(125)**	**(527)**
Closing net book amount	**991**	**285**	**593**	**1,869**
At 31 July 2019				
Cost	**1,770**	**1,029**	**1,163**	**3,962**
Accumulated depreciation	**(779)**	**(744)**	**(570)**	**(2,093)**
Net book amount	**991**	**285**	**593**	**1,869**

All property, plant and equipment disclosed above are free from restrictions on title. No property, plant and equipment either in 2019 or 2018 has been pledged as security against the liabilities of the Company.

35 Investments in subsidiaries

	2019 £'000	2018 £'000
Balance at 1 August	**49,893**	46,497
Acquired through business combinations	**10,309**	8,409
Additional investment in existing subsidiaries	**–**	10
Investment in new subsidiaries	**–**	63
Distributions on closure of subsidiaries	**82**	(7,110)
Share-based payments charge	**1,693**	2,254
Settlement of fully vested share options	**(235)**	(230)
Balance at 31 July	**61,743**	49,893

The value of investments is determined on the basis of the cost to the Company. The Directors believe that the carrying value of the investments is supported by their underlying net assets.

The details of the parent company's subsidiaries are shown in Note 13 of the consolidated financial statements.

36 Investment in associates

	2019 £'000	2018 £'000
Balance at 1 August	**280**	280
Acquisition of associate	**(280)**	–
Balance at 31 July	**–**	280

37 Trade and other receivables

	31 July 2019 £'000	31 July 2018 £'000
Trade receivables	**6,605**	6,370
Provision for trade receivables	**(855)**	(176)
Net trade receivables	**5,750**	6,194
Amounts owed by Group undertakings	**39,363**	24,865
Amounts owed by associates	**–**	270
Other receivables	**514**	169
Prepayments	**650**	549
Accrued income	**2,120**	4,312
	48,397	36,359

The Directors consider that the carrying amount of trade and other receivables approximate to their fair value. The amounts due from Group undertakings are repayable on demand and are non-interest bearing.

Notes to the Parent Company financial statements

for the year ended 31 July 2019 continued

37 Trade and other receivables continued

As at 31 July 2019, trade receivables of £1,840,000 (2018: £2,814,000) were overdue but not impaired. These relate to a number of customers for which there is no recent history of default or any other indication that the receivable should not be fully collectable. The ageing analysis of past due trade receivables which are not impaired is as follows:

	31 July 2019 £'000	31 July 2018 £'000
Up to three months overdue	**1,535**	1,447
Three to six months overdue	**130**	1,064
Six months to one year overdue	**90**	253
More than one year overdue	**85**	50
	1,840	2,814

Movement on the Company provision for impairment of trade receivables is as follows:

	2019 £'000	2018 £'000
Provision for receivables impairment at 1 August as previously reported	**176**	144
Revision on adoption of IFRS 9	**777**	–
Provision for receivables impairment at 1 August restated	**953**	144
Movement in the year (credited)/charged to the income statement	**(98)**	32
Provision for receivables impairment at 31 July	**855**	176

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Company does not hold any collateral as security.

The average length of time taken by customers to settle receivables is 59 days (2018: 59 days). Concentrations of credit risk do exist with certain clients with which we have trading relationships but none has a history of default and all command a certain stature within the marketplace, which minimises any potential risk of default. Material balances (defined as greater than £250,000 (2018: greater than £250,000)) represent 9% of trade receivables (2018: 0%).

38 Cash and cash equivalents

	31 July 2019 £'000	31 July 2018 £'000
Cash at bank and in hand	**3,928**	12,136
Cash and cash equivalents	**3,928**	12,136

Cash and cash equivalents are held at either variable rates or at rates fixed for periods of no longer than three months.

39 Trade and other payables

	31 July 2019 £'000	31 July 2018 £'000
Trade payables	**487**	968
Amounts owed to Group undertakings	**16,392**	8,877
Accruals	**4,835**	4,656
Deferred income	**4,797**	4,016
Other payables	**3,524**	2,635
	30,035	21,152

Amounts payable to Group undertakings are repayable on demand and non-interest bearing.

Included within other payables are £122,000 (2018: £80,000) of contributions due in respect of defined contribution pension schemes.

40 Contingent consideration

	SMG Insight Ltd £'000	InConversation Media Ltd £'000	Portent.io Ltd £'000	Total £'000
At 1 August 2017	–	–	–	–
Provided in the year	5,727	–	–	5,727
Discount unwinding	9	–	–	9
Balance at 31 July 2018 and 1 August 2018	**5,736**	**–**	**–**	**5,736**
Included within current liabilities	899	–	–	899
Included within non-current liabilities	4,837	–	–	4,837
Acquisition consideration provided during the year	**7,513**	**605**	**–**	**8,118**
Decrease recognised in income statement in the year	**(3,192)**	**–**	**–**	**(3,192)**
Contingent staff cost provided during the year	**–**	**433**	**1,873**	**2,306**
Settled during the year	**(3,775)**	**–**	**–**	**(3,775)**
Discount unwinding	**88**	**6**	**5**	**99**
Balance at 31 July 2019	**6,370**	**1,044**	**1,878**	**9,292**
Included within current liabilities	**2,013**	**–**	**–**	**2,013**
Included within non-current liabilities	**4,357**	**1,044**	**1,878**	**7,279**

41 Provisions for other liabilities and charges

	Panel incentives £'000	Total £'000
At 1 August 2017	2,338	2,338
Provided during the year	3,126	3,126
Utilised during the year	(2,831)	(2,831)
Balance at 31 July 2018 and 1 August 2018	**2,633**	**2,633**
Included within current liabilities	1,628	1,628
Included within non-current liabilities	1,005	1,005
Provided during the year	**5,140**	**5,140**
Utilised during the year	**(3,787)**	**(3,787)**
Balance at 31 July 2019	**3,986**	**3,986**
Included within current liabilities	**2,302**	**2,302**
Included within non-current liabilities	**1,684**	**1,684**

The panel incentive provision represents the Directors' best estimate of the future liability in relation to the value of panel incentives that have accrued in the panellists' virtual accounts up to 31 July 2019. The provision of £4.0m represents 62% of the maximum potential liability of £6.5m (2018: £2.6m representing 46% of the maximum potential liability of £5.8m). The factors considered in estimating the appropriate percentage of the total potential liability to be provided against at each reporting date include: panel churn rates, panel activity rates and current redemption patterns.

Notes to the Parent Company financial statements

for the year ended 31 July 2019 continued

42 Deferred tax assets and liabilities

Deferred tax asset	Property, plant and equipment £'000	Tax losses £'000	Other timing differences £'000	Total £'000
Balance at 1 August 2017	54	97	1,482	1,633
Recognised in the income statement	(4)	19	233	248
Recognised in equity	–	–	726	726
Balance at 31 July 2018 as previously reported	50	116	2,441	2,607
Restatement on adoption of IFRS 9	–	–	136	136
Balance at 1 August 2018 restated	**50**	**116**	**2,305**	**2,743**
Recognised in the income statement	**(50)**	**–**	**(116)**	**(166)**
Recognised in equity	**–**	**–**	**828**	**828**
Balance at 31 July 2019	**–**	**116**	**3,289**	**3,405**

£2,610,000 (2018: £392,000) of the above deferred tax assets are expected to be recovered within one year.

Deferred tax assets have been recognised only to the extent where management budgets and forecasts show sufficient profits being generated to discharge these in the short term. Utilisation of tax losses is dependent upon future profits being generated.

Deferred tax liabilities	Intangible assets £'000	Intangible assets £'000	Total £'000
Balance at 1 August 2017	30	–	30
Recognised in the income statement	(30)	–	(30)
Balance at 31 July 2018 and 1 August 2018	**–**	**–**	**–**
Recognised in the income statement	**–**	**32**	**32**
Balance at 31 July 2019	**–**	**32**	**32**

£Nil (2018: £Nil) of the above deferred tax liabilities are expected to be recovered within one year.

The net movement on the deferred income tax account is as follows:

	2019 £'000	2018 £'000
Balance at 1 August as previously reported	**2,607**	1,603
Restatement on adoption of IFRS 9	**136**	–
Balance at 1 August restated	**2,743**	1,603
Recognised in the income statement	**(198)**	278
Recognised in equity	**828**	726
Balance at 31 July	**3,373**	2,607

43 Risk management objectives and policies

The Company is exposed to foreign currency, capital, liquidity and interest rate risk, which result from both its operating and investing activities. The Group's risk management is coordinated in close cooperation with the Board of Directors, and focuses on actively securing the Company's short-to-medium-term cash flows by minimising the exposure to financial markets. The most significant financial risks to which the Company is exposed are described below. Also refer to the accounting policies.

Foreign currency risk

The Company is exposed to translation and transaction foreign exchange risk. The currencies where the Company is most exposed to volatility are the US Dollars and Euro. Currently, the Company aims to align assets and liabilities. The Company will continue to review its currency risk position as the overall business profile changes.

The presentational and transactional currency of the Company is considered to be UK Sterling.

Foreign currency denominated financial assets and liabilities, translated into UK Sterling at the closing rate are as follows:

	2019 £'000			2018 £'000		
	US Dollar	**Euro**	**Other Currencies**	US Dollar	Euro	Other Currencies
Financial assets	**5,318**	**3,997**	**6,788**	4,241	861	2
Financial liabilities	**(4,866)**	**(1,659)**	**(2,740)**	(54)	(117)	(3)
Short-term exposure	**452**	**2,338**	**4,048**	4,187	744	(1)
Financial assets	**–**	**–**	**–**	–	–	–
Financial liabilities	**–**	**–**	**–**	–	–	–
Long-term exposure	**–**	**–**	**–**	–	–	–

Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The Company currently has no general borrowing arrangement in place and prepares cash flow forecasts which are reviewed at Board meetings to ensure liquidity.

As at 31 July 2019, the Group's liabilities have undiscounted contractual maturities, which are summarised below:

	2019				2018			
	Current		**Non-current**		Current		Non-current	
At 31 July	**Within 6 months £'000**	**6 to 12 months £'000**	**1 to 5 years £'000**	**Later than 5 years £'000**	Within 6 months £'000	6 to 12 months £'000	1 to 5 years £'000	Later than 5 years £'000
Trade and other payables	**4,011**	**–**	**–**	**–**	3,603	–	–	–
Contingent consideration	**–**	**2,013**	**7,279**	**–**	–	898	4,837	–

The Company has sufficient financial risk management policies in place to ensure that all trade payables are settled within the respective credit period.

Capital risk management

The Company manages its capital to ensure that it is able to continue as a going concern. The Board has taken the decision at this stage to minimise external debt, whilst trying to maximise earnings from the cash currently held. Capital consists of the following items:

	31 July 2019 £'000	31 July 2018 £'000
Cash and cash equivalents	**3,928**	12,136
Equity attributable to shareholders of the parent company	**(76,939)**	(73,529)
	(73,011)	(61,393)

The Company has no externally imposed capital requirements.

Notes to the Parent Company financial statements

for the year ended 31 July 2019 continued

43 Risk management objectives and policies continued

Interest rate risk

The Group manages its interest rate risk by negotiating fixed interest rates on deposits for periods of up to three months. The average cash and cash equivalents balance, net of bank overdrafts, over the course of the year was £7.9m (2018: £11.7m). Management does not believe that the Group is subject to interest rate risk.

Fair values of financial assets and financial liabilities

Where market values are not available, fair values of financial assets and financial liabilities have been calculated by discounting expected future cash flows at prevailing interest rates and by applying year-end foreign exchange rates.

Primary financial instruments held or issued to finance the Company's operations:

	31 July 2019		31 July 2018	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Trade and other receivables	**47,748**	**47,748**	30,055	30,055
Cash and cash equivalents	**3,928**	**3,928**	12,136	12,136
Trade and other payables	**(25,153)**	**(25,153)**	(13,692)	(13,692)
Contingent consideration	**(9,292)**	**(9,292)**	(5,736)	(5,736)

Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows: Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

	31 July 2019 £'000				31 July 2018 £'000			
	Current		Non-current		Current		Non-current	
Liabilities	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Contingent consideration	**–**	**–**	**9,292**	**9,292**	–	–	5,736	5,736

The following table presents the changes in Level 3 instruments.

Contingent consideration	2019 £'000	2018 £'000
Balance at 1 August	**5,736**	–
Provided consideration on business combination	**8,117**	5,727
Recognised in the income statement	**(786)**	9
Settled	**(3,775)**	–
Balance at 31 July	**9,292**	5,736

44 Share capital and share premium

The Company only has one class of share. Par value of each Ordinary Share is 0.2p. All issued shares are fully paid.

	Number of shares	Share capital £'000	Share premium £'000	Total £'000
At 1 August 2017	105,298,709	211	31,261	31,472
Issue of shares	193,101	–	39	39
At 31 July 2018 and 1 August 2018	**105,491,810**	**211**	**31,300**	**31,511**
Issue of shares	**218,193**	**–**	**45**	**45**
At 31 July 2019	**105,710,003**	**211**	**31,345**	**31,556**

During the year, 208,078 shares were issued on the exercise of share options and 10,115 in payment of Non-Executive Directors' fees. A total of 755,000 shares were repurchased for the purposes of settling share option schemes as they vest.

45 Share-based payments

The charge in relation to the share-based payments in the year ended 31 July 2019 was £708,000 (2018: £1,317,000). Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the year are as follows:

Long Term Incentive Plan 2009

During the year ended 31 July 2019, the Long Term Incentive Plan 2009 ("LTIP 2009") for Executive Directors, Senior Executives and Senior Managers continued to operate but no new awards were made under the LTIP 2009 as it has been replaced by two new incentive plans summarised below. The rules governing the LTIP 2009 are summarised in the Remuneration Report on pages 58 to 59. The charge in relation to the LTIP 2009 in the year ended 31 July 2019 was £Nil (2018: £Nil).

	2019 Number	2018 Number
Outstanding at the beginning of the year	**456,067**	497,421
Employee transfers during the year	**–**	–
Granted during the year	**–**	–
Exercised during the year	**(81,396)**	(41,354)
Forfeited during the year	**–**	–
Outstanding at the end of the year	**374,671**	456,067
Exercisable at the end of the year	**374,671**	456,067

The weighted average share price at the date LTIP 2009 options were exercised was £4.76. All of the above are nil cost options.

During the year ended 31 July 2015, two new incentive plans were introduced: a new Long Term Incentive Plan ("LTIP 2014") for the Group's Directors and senior managers and a new Deferred Share Bonus Plan ("DSBP 2014") for those managers not participating in the new LTIP.

Long Term Incentive Plan 2014

Awards under the Long Term Incentive Plan 2014 ("LTIP 2014") were made in the form of nil-cost options as with the LTIP 2009. The maximum total number of shares awarded to each participant was set based on their salary in the year ended 31 July 2015 and the share price at the start of the plan. These awards were granted in three equal tranches in October 2015, 2016 and 2017 with an additional award of 384,993 options in April 2018. Receipt of an award in each of those years was dependent upon the achievement of specific and demanding personal targets set for that individual in the previous financial year. Vesting of awards will depend on the Company achieving stretching targets relating to compound growth in adjusted earnings per share ("EPS") over the five years ending 31 July 2019 and on improvement in its operating margins. Part of the Chief Executive Officer's award is also subject to a Total Shareholder Return ("TSR") condition, this part of the award will only vest if the EPS performance condition is met in full and the Company's TSR has grown by 200%.

The maximum number of options that can be granted under this scheme is 4,271,000 and the charge in relation to the LTIP 2014 in the year ended 31 July 2019 was £562,000 (2018: £1,212,000).

	2019 Number	2018 Number
Outstanding at the beginning of the year	**1,928,875**	2,891,842
Employee transfers during the year	**–**	(1,707,719)
Granted during the year	**–**	744,752
Exercised during the year	**–**	–
Forfeited during the year	**–**	–
Outstanding at the end of the year	**1,928,875**	1,928,875
Exercisable at the end of the year	**–**	–

All of the above are nil cost options.

Notes to the Parent Company financial statements

for the year ended 31 July 2019 continued

45 Share-based payments continued

Deferred Share Bonus Plan 2014

The Deferred Share Bonus Plan 2014 ("DSBP 2014") delivers a portion of managers' (enhanced) annual bonus in shares, which must be retained for a period of two years and are subject to continued employment. The charge in relation to the DSBP 2014 in the year ended 31 July 2019 was £146,000 (2018: £105,000).

	2019 Number	2018 Number
Outstanding at the beginning of the year	**89,559**	92,764
Employee transfers during the year	**54,715**	–
Granted during the year	**36,268**	35,977
Exercised during the year	**(15,234)**	(26,896)
Forfeited during the year	**(3,793)**	(12,286)
Outstanding at the end of the year	**160,423**	89,559
Exercisable at the end of the year	**82,770**	28,414

The weighted average share price at the date DSBP 2014 options were exercised was £4.67. All of the above are nil cost options. The fair value of options granted during the year, determined using the Black Scholes model, was £4.27 per option. The assumptions used in the Black Scholes model in calculating the fair values of the options granted during the year are disclosed in Note 22 to the consolidated financial statements.

46 Leasing commitments

The future aggregate minimum lease rentals to be paid under non-cancellable operating leases at 31 July 2019 are as follows:

	31 July 2019		31 July 2018	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
In one year or less	**838**	**92**	194	116
Between one and five years	**4,118**	**30**	131	115
In five years or more	**2,491**	**–**	2	–
	7,447	**122**	327	231

The lease rental costs charged to the income statement for the year ended 31 July 2019 amounted to £935,000 (2018: £521,000).

47 Capital commitments

At 31 July 2019, the Company had capital commitments of £Nil (2018: £Nil).

48 Major non-cash transactions

There were no major non-cash transactions in the year or the prior year.

49 Transactions with Directors and other related parties

See Note 26 in the Group financial statements.

50 Impact of new accounting standards

This Note explains the impact of the adoption of IFRS 9 and IFRS 15 on the Company's financial statements.

IFRS 9

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities and the impairment of financial assets.

The adoption of IFRS 9 from 1 August 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The Company's trade receivables and accrued income from sales of products are subject to the new expected credit loss model. In accordance with the transitional provisions in paragraphs 7.2.15 and 7.2.26 of IFRS 9, comparative figures have not been restated. The reclassifications and the adjustments arising from the new impairment rules are therefore recognised in the opening balance sheet on 1 August 2018.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets. This resulted in an increase of the loss allowance on 1 August 2018 of £618,000 for trade receivables and £96,000 for accrued income. The interest impact of IFRS 9 was immaterial. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was also immaterial.

IFRS 15

The adoption of IFRS 15 from 1 August 2018 resulted in changes in accounting policies relating to revenue recognition. The new accounting policies have not materially altered the revenue recognised by the Company in prior financial years and so restatement of prior year comparatives is not necessary.

Impact on the parent company financial statements

The impact of the change in impairment methodology on the Company's retained earnings and equity is disclosed in the table below. Line items that were not affected by the changes have not been included.

	Balance sheet as at 31 July 2018 £'000	Restatement for IFRS 9 £'000	**Balance sheet as at 1 August 2019 £'000**
Deferred tax asset	2,607	136	**2,743**
Total non-current assets	55,049	136	**55,185**
Bad debt provision	(176)	(777)	**(953)**
Accrued income	4,312	(96)	**4,216**
Trade and other receivables	36,359	(873)	**35,645**
Total current assets	48,496	(873)	**47,782**
Total assets	103,545	(737)	**102,967**
Other payables	2,635	(159)	**2,476**
Trade and other payables	21,152	(159)	**20,993**
Total current liabilities	24,173	(159)	**24,014**
Total liabilities	30,015	(159)	**29,856**
Net assets	73,529	(578)	**72,951**
Retained earnings	32,779	(578)	**32,201**
Total equity	73,529	(578)	**72,951**

The adoption of IFRS 15 has not impacted the parent company financial statements in the period.

51 Events after the reporting year

There have been no events after the end of the reporting year.

Notes to the Parent Company financial statements

for the year ended 31 July 2019 continued

52 Registered addresses

Subsidiary Company	Registered Addresses
YouGov plc	50 Featherstone Street, London, EC1Y 8RT, United Kingdom
CoEditor Ltd	
Crunch Cloud Analytics Limited	
Doughty Media 2 Limited*	
InConversation Media Limited	
Margaux Matrix Limited	
Portent.io Limited	
SMG Insight Limited	
YGV Finance Limited**	
YouGov Crunch Limited***	
YouGov Services Limited	
YouGovStone Limited****	
Consilium Asia Limited	Room 22D, Shuguang Building, No. 189 Puan Road, Shanghai, 200021, China
Consilium Limited	9/F, Skyway Centre, 23 Queen's Road West, Sheung Wan, Hong Kong
Crunch Cloud Analytics LLC	805 Veterans Blvd, Suite 202, Redwood City, CA, 94063, USA
Portent Technologies Inc	
YouGov America Inc	
YouGov America Holdings LLC	
Iridescent Productions Company Limited	240/2/580 Ashtar Compound, Ankawa, Erbil, Kurdistan Region, Iraq
MMH 2014 Limited	115, George's Street, 4th Floor, Edinburgh, EH2 4JN, Scotland
PT YouGov Consulting Indonesia	62, Setiabudi One 2 Building, 6th Floor Suite 605C, Jl HR Rasuna Said Kav 62,12920, Jakarta, Indonesia
YG Research India Private Limited	Kaledonia 1st Floor, Sahar Road, Andheri East, Mumbai, 400069, India
YouGov Data & Analytics GmbH	41, Sebastian-Kneipp-Straße, Frankfurt am Main, 60439, Germany
YouGov Deutschland GmbH	Gustav-Heinemann-Ufer 72, 50968, Cologne, Germany
YouGov Finland OY	c/o KPMG Oy Ab, Toolonlahdenkatu 3 A, Helsinki, 00100, Finland
YouGov France SASU	29 Rue du Louvre, 75002, Paris, France
YouGov Galaxy Research Pty Limited	Level 38, Tower 3, International Towers Sydney, 300 Barangaroo Avenue, Sydney, NSW, 2000 Australia
YouGov Research Pty Ltd	
YouGov Italia S.R.L.	Via Leone XII, N. 14, Milan, Italy
YouGov M.E. Egypt LLC*****	115 Althawra St., Heliopolis, Cairo, Egypt
YouGov M.E. FZ LLC	Suites 302 and 303, Cayan Business Center, Barsha Heights, Dubai, UAE
YouGov Malaysia Sdn. Bhd.	33-1, Level 1, Jalan 4/93, Taman Miharja Cheras, Kuala Lumpur, 55200, Malaysia
YouGov Nordic and Baltic A/S	Bryggervangen 55, 1.th, DK-2100, Copenhagen, Denmark
YouGov Norway AS	Møllergata 8, 0179, Oslo, Norway
YouGov Poland Sp. z o.o.	17/9, Ul. Wiejska, Warsaw, 00-480, Poland
YouGov Research Canada Limited	400-725. Granville Street, P.O Box 10325, Vancouver, BC V7Y 1G5, Canada
YouGov Singapore Pte Ltd	67, Tanjong Pagar Road, #02-01, Singapore, 088488, Singapore
YouGov Spain S.L.U.	19, Calle de Prim, Madrid, 28004, Spain
YouGov SRL	85, str. Buzesti, sector 1, Bucharest, Romania
YouGov Sweden AB	Holländargatan 17 B, 111 60, Stockholm Sweden
YouGov (Thailand) CO. LTD	152, Chartered Square Building, 12Ath Floor, Unit 12A-01, North Sathorn Road, Silom, Bangrak, Bangkok, 10500, Thailand
YouGov URC (Shanghai) Market Research Co. Ltd.	25F, The Headquarters, No.168 Xizang Middle Road, Shanghai 200001, China

* Dissolved 30 July 2019, ** Dissolved 2 July 2019, *** Dissolved 23 October 2018, **** Dissolved 17 September 2019, ***** In Liquidation

53 Audit Exemption under Section 479A of the Companies Act 2006

The Directors consider that subsidiaries of the Group are entitled to exemption from the requirement to have an audit under the provision of section 479A of the Companies Act 2006 ("the Act") and the members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Act.

YouGov plc has guaranteed the liabilities of the following subsidiaries in order that they qualify for the exemption from audit under section 479A of the Companies Act 2006 in respect of the year ended 31 July 2019:

- Crunch Cloud Analytics Limited
- InConversation Media Limited
- Margaux Matrix Limited
- Portent.io Limited
- SMG Insight Limited
- YouGov Services Limited

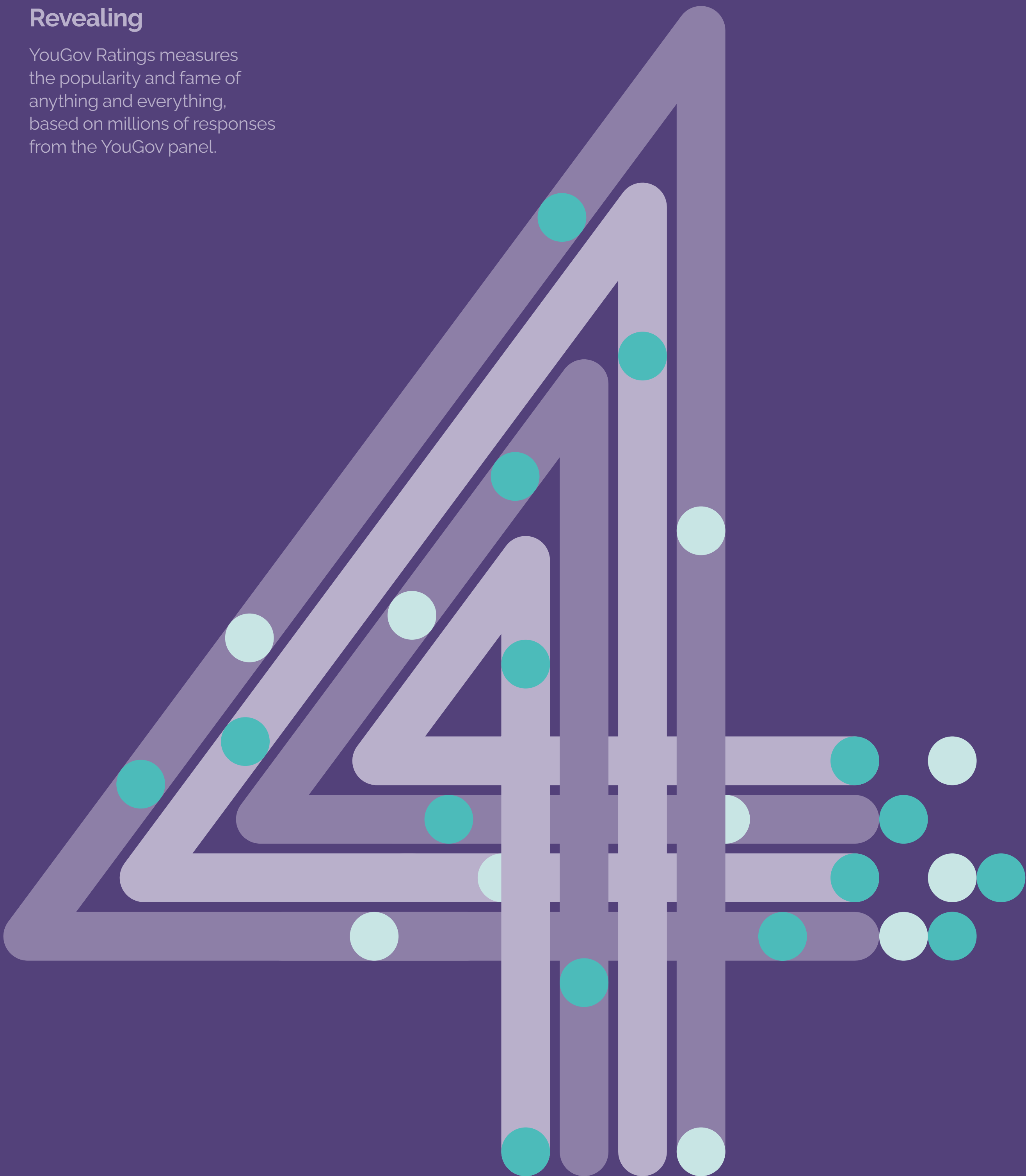
The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

In this section

Additional information

Revealing

YouGov Ratings measures the popularity and fame of anything and everything, based on millions of responses from the YouGov panel.



Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of YouGov plc will be held at 50 Featherstone Street, London EC1Y 8RT on Wednesday 11 December 2019 at 8.30am to consider and, if thought fit, pass the resolutions below.

Resolutions 14 to 16 will be proposed as Special Resolutions. All other Resolutions will be proposed as Ordinary Resolutions.

Ordinary Resolutions

Resolution 1 – Report and accounts

To receive the Company's annual accounts for the financial year ended 31 July 2019, together with the Directors' Report and the auditors' report on those accounts.

Resolution 2 – Annual Report on Remuneration

To approve the Annual Report on Remuneration set out in the Annual Report and Accounts for the financial year ended 31 July 2019.

Resolution 3 – Appointment of auditors

To reappoint PricewaterhouseCoopers LLP as auditors to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid.

Resolution 4 – Remuneration of auditors

To authorise the Directors to fix the remuneration of the auditors.

Resolution 5 – Re-Election of Roger Parry as Director

To re-elect Roger Parry as a Director.

Resolution 6 – Re-Election of Stephan Shakespeare as Director

To re-elect Stephan Shakespeare as a Director.

Resolution 7 – Re-Election of Alexander McIntosh as Director

To re-elect Alexander McIntosh as a Director.

Resolution 8 – Re-Election of Sundip Chahal as Director

To re-elect Sundip Chahal as a Director.

Resolution 9 – Re-Election of Rosemary Leith as Director

To re-elect Rosemary Leith as a Director.

Resolution 10 – Re-Election of Andrea Newman as Director

To re-elect Andrea Newman as a Director.

Resolution 11 – Re-Election of Ashley Martin as Director

To re-elect Ashley Martin as a Director.

Resolution 12 – Dividend

To declare a final dividend of 4.0p per ordinary share to be paid on Monday 16 December 2019 to those shareholders on the register of members as at Friday 6 December 2019.

Resolution 13 – Directors' authority to allot shares

To generally and unconditionally authorise the Directors (in substitution for all subsisting authorities to the extent unused, other than in respect of any allotments made pursuant to offers or agreements made prior to the passing of this resolution) for the purposes of Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company ("Shares") and grant rights to subscribe for, or to convert any security into, Shares ("Subscription or Conversion Rights") up to an aggregate nominal amount of £10,573 provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on 31 December 2020, whichever is the earlier, save that the Company may, before such expiry, make an offer or agreement which would or might require Shares to be allotted or Subscription or Conversion Rights to be granted after such expiry and the Directors may allot Shares and grant Subscription or Conversion Rights in pursuance of any such offer or agreement as if this authority had not so expired.

Special Resolutions

Resolution 14 – Authority for disapplication of pre-emption rights

That conditional on the passing of Resolution 13 above, that the Directors be and are hereby empowered in accordance with Section 570 and Section 573 of the Companies Act 2006 to allot equity securities (within the meaning of Section 560 of that Act) for cash, either pursuant to the authority conferred by Resolution 13 or by way of a sale of treasury shares, as if section 561(1) of that Act did not apply to any such allotment, provided that this power shall be limited to:

(a) the allotment of equity securities in connection with an offer of such securities:

(i) to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings of such shares; and

(ii) to holders of other securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in or under the laws of any territory or the requirements of any regulatory body or any stock exchange; and

(b the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to an aggregate nominal amount of £10,573 and shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on 31 December 2020, whichever is the earlier, save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offers or agreements as if the power conferred hereby had not expired.

Resolution 15 – Purchase of own shares for market value

That the Company be and is hereby generally and unconditionally authorised for the purposes of Section 701 of the 2006 Act to make one or more market purchases (as defined in Section 693(4) of the 2006 Act) on the London Stock Exchange of Ordinary Shares of 0.2p each of the Company provided that:

(a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 10,573,100 (representing 10% of the Company's issued ordinary share capital at the date of this notice); and

(b) the minimum price (exclusive of expenses) which may be paid for each ordinary share is 0.2p; and

(c) the maximum price (exclusive of expenses) which may be paid for each ordinary share will not be more than the price permitted by the Listing Rules of the UK Listing Authority at the time of purchase (which is currently the higher of an amount equal to 105% of the average of the middle market quotations of an ordinary share of the Company, as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which such share is contracted to be purchased and an amount equal to the higher of:

(i) the price of the last independent trade of an ordinary share; and

(ii) the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System.

(d) unless previously renewed, revoked or varied, this authority shall continue for the period ending on the date of the Annual General Meeting in 2020 or 31 December 2020, whichever is the earlier, provided that, if the company has agreed before this date to purchase Ordinary Shares where these purchases will or may be executed after the authority terminates (either wholly or in part), the Company may complete such purchases.

Resolution 16 – Adoption of new Articles of Association

That the Articles of Association produced to the meeting and initialled by the Chair of the meeting (for the purpose of identification) be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the Board

Tilly Heald
Company Secretary
8 October 2019

Registered Office:
50 Featherstone Street,
London EC1Y 8RT
Registered in England and Wales No. 3607311

Notes to the Notice of Annual General Meeting

Explanatory Notes to the Notice of Annual General Meeting

Resolutions 1 to 13 are proposed as Ordinary Resolutions. This means that for each of those Resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 14 to 16 are proposed as Special Resolutions. This means that for each Resolution to be passed, at least three-quarters of the votes cast must be in favour of the Resolution.

Resolution 5 to 11 Explanatory Notes

Each Director is proposed for election by the shareholders in general meeting. For more information about the Directors' background and experience, see pages 46 and 47 of this Annual Report. Having reached ten years' tenure on the Board, Nick Jones does not offer himself for re-election. Nick Jones' appointment as Director shall cease at the end of the meeting. For information regarding how the Board has considered the independence of the Directors, see page 48 of this Annual Report.

Resolution 14 Explanatory Notes

Under Section 561 of the Companies Act 2006, when new shares are allotted, they must first be offered to existing shareholders pro-rata to their holdings. This Special Resolution renews the authorities previously granted to the Directors to: (a) allot shares of the Company in connection with a rights issue or other pre-emptive offer; and (b) otherwise allot shares of the Company, or sell treasury shares for cash, up to an aggregate nominal value of £10,573 (representing in accordance with institutional investor guidelines, approximately 5% of the share capital in issue as at 4 October 2019 (being the last practicable date prior to the publication of this notice)) as if the pre-emption rights of Section 561 did not apply. The authority granted by this resolution shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on 31 December 2020, whichever is the earlier.

Resolution 15 Explanatory Notes

The Directors consider that it would be appropriate and that it would promote the success of the Company, for the benefit of its members as a whole, to seek authority to make market purchases of its Ordinary Shares on the London Stock Exchange, up to a limit of 10% of its issued ordinary share capital. The maximum and minimum prices are stated in Resolution 14. Any Ordinary Shares purchased under this authority may either be cancelled or held as treasury shares. Treasury shares may subsequently be cancelled, sold for cash or used to satisfy options issued to employees pursuant to an employee share plan.

The authority to purchase own shares will be exercised only if the Directors believe that in doing so it is likely to promote the success of the Company for the benefit of its members as a whole.

As at 4 October 2019, being the last practicable date prior to the publication of this notice, there were employee share plan options over 7,786,926 Ordinary Shares in the capital of the Company which represent 7% of the Company's issued ordinary share capital at that date. This figure of Ordinary Shares includes both vested and unvested employee share options. If all share options were to vest in full, and authority under this resolution to purchase the Company's Ordinary Shares was exercised in full, the proportion of Ordinary Shares subject to such options would represent 7% of the Company's issued ordinary share capital as at 4 October 2019, being the latest practicable date before publication of this notice.

Resolution 16 Explanatory Notes

Resolution 16 proposes that the Company amends its constitution by adopting revised Articles of Association. It is proposed to adopt new Articles of Association (the "New Articles") principally to reflect developments in practice, and to provide clarification and additional flexibility.

Due to the extent of the changes, the Company is proposing the adoption of the New Articles rather than making amendments to the current Articles of Association adopted in 2008 (the "Current Articles"). The principal changes being proposed in the New Articles are summarised below. Other changes, which are of minor, technical or clarifying nature, have not been noted.

A copy of the New Articles are available for inspection online at corporate.yougov.com/governance/corporate-documents and will also be available at the meeting. A copy of the New Articles will be available for inspection by shareholders at the Company's registered office at 50 Featherstone Street, London, EC1Y 8RT during normal business hours until the close of the Annual General Meeting. If you wish to make an appointment to view the New Articles, please contact company.secretary@yougov.com.

Summary of the New Articles

The substantive changes being proposed in the New Articles are intended to reflect developments in market practice, and to provide clarification and additional flexibility where necessary or appropriate. The Current Articles were adopted over ten years ago, therefore it is necessary to make a number of technical amendments to modernise language, provide clarity and ensure that the Articles are in line with the provisions of the Companies Act 2006 (as amended), and the Company's practice.

Summary of some key changes are as follows:

Retirement of Directors

In line with best practice, the New Articles provide for the automatic retirement of all the Directors at each Annual General Meeting, replacing the previous provision that required reappointment on rotation. The New Articles also include the necessary related changes to ensure that the Company can continue to operate, and comply with its legal obligations, in the event that not enough Directors are able to act following an Annual General Meeting. Retiring Directors powers are limited to: (i) filling vacancies, (ii) convening general meetings and (iii) performing duties which are essential to maintain the Company as a going concern.

Untraced shareholders

The New Articles amend the provisions in the Current Articles relating to untraced shareholders. These new provisions give the Company more flexibility when trying to trace shareholders by removing the requirement to place notices in newspapers, and replacing it with a requirement to take reasonable steps to trace the shareholder. The New Articles also contain provisions relating to unclaimed dividends or other money payable on untraced shareholders which are sold.

Appointment of corporate representatives

In line with market practice, our New Articles include specific provisions to enable corporate shareholders to appoint a Corporate Representative to act on their behalf at general meetings of the Company. The New Articles clarify the process of appointing and evidencing a corporate representative and the powers which they can exercise.

Method of payment of dividends

The New Articles include provision to clarify that a dividend may be paid, subject to a shareholder's agreement, by electronic or other means. This provision is in line with market practice and gives the Company flexibility to pay dividends to shareholders in the manner which is most convenient for the shareholder.

Directors' fees

The Current Articles include provision for an aggregate limit on fees paid to Non-Executive Directors, but does not specify a monetary limit. In line with best practice, the New Articles specify a monetary limit (£500,000).

Notes to the Notice of Annual General Meeting continued

Note on voting procedures

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Neville Registrars Limited at Neville House Steelpark Road, Halesowen, B62 8HD.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD no later than 8.30am on Monday 9 December 2019.
3. Forms of Proxy may alternatively be submitted electronically by logging on to www.sharegateway.co.uk and using the personal proxy registration code which is printed on the proxy form. For an electronic proxy appointment to be valid, the appointment must be received by Neville Registrars Limited no later than 8.30am on Monday 9 December 2019.
4. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 6 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
5. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, to be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00pm on Monday 9 December 2019 (or, in the event of any adjournment, 6.00pm on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited (the operator of the CREST system), and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA11) by 8.30am on Monday 9 December 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
8. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that: (i) if a corporate shareholder has appointed the chair of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chair and the chair will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chair of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the chair is being appointed as described in (i) above.

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