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REGISTERED NUMBER: 02916113 (England and Wales)

COMMUNISIS LIMITED

STRATEGIC REPORT, DIRECTORS' REPORT AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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COMMUNISIS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS:	P D Hoggarth T A Burgham D Athwal E W Ek A Vemuri I L G V Waesberghe
REGISTERED OFFICE:	Communisis House Manston Lane Leeds LS15 8AH
REGISTERED NUMBER:	02916113 (England and Wales)
AUDITORS:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW

COMMUNISIS LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their Strategic Report of the Company for the year ended 31 December 2020.

REVIEW OF BUSINESS

Strategy and Implementation

Communisis Limited is the intermediate parent company in the UK Group, headed by OSG Bidco Limited ("the Group"). Communisis Limited does not trade and its principal activities are to act as a holding company and a central cost centre for the Group.

The Directors consider the future prospects of the Company to be satisfactory.

Results

During 2020, the Coronavirus pandemic (COVID-19) had a significant impact on the Group's trading performance to which the Company belongs. As a result of this decline in trading, the Group undertook a range of cost mitigation initiatives early on in the pandemic. Several of the initiatives provided temporary reductions in cost and included voluntary pay reductions, use of the UK Government Job Retention Scheme as well as reductions in discretionary and non-critical spend. However, the Group has also taken steps to reduce costs on a more permanent basis which has unfortunately resulted in a number of redundancies.

As a consequence of these cost mitigation initiatives across the Group, the Company reduced its operating loss by 24% to £5,984,000 from £7,874,000 in 2019.

During 2020 the Group to which the Company belonged undertook a project to strike-off 49 of its legacy dormant entities. Consequently, a large number of intercompany balances were forgiven and therefore released around the Group. In addition, several investments were also written down to £nil or impaired accordingly. The Company therefore benefitted from a net credit to the Income Statement of £37,080,000 because of this restructuring project. No tax has been charged on this credit (and no relief taken on the corresponding debit balances) as the companies in question are all connected and therefore party to the loan relationship rules. In addition, all accounting entries in relation to the strike-offs are eliminated on Group consolidation so the Group accounts have not been impacted by this project. At the date of signing this report all 49 of the dormant entities have been struck off the register. During this project it was however identified that there was an intercompany imbalance of £2,930,000 dating back to pre-2005 in respect of a corporate restructuring project at the time.

When preparing the 2020 Financial Statements for the Company two further issues were identified with respect to the 2019 Financial Statements. Firstly, it was identified that a late groupwide adjustment had been incorrectly allocated between Communisis Limited and its subsidiary Financial Statements in 2019. Secondly, it was identified that the accounting for certain pension costs in Communisis Limited and Communisis UK Limited's Financial Statements did not reflect the reporting in the Group Financial Statements in 2019. The Group pension liability is split between Communisis Limited and Communisis UK Limited but Communisis Limited makes all payments into the pension scheme; as a result, the intercompany balance between these two group companies had been mis-stated.

Further details and a full reconciliation from the signed 2019 financials to the restated comparatives in these Financial Statements can be seen in Note 2.4. It should be noted that these restatements did not affect the Group Consolidated Financial Statements.

Key Performance Indicators

There is no trading performance that requires monitoring and so no key performance indicators to disclose.

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RISKS AND UNCERTAINTIES
The Company does not trade. The Company's main exposure to risk comes from its investment in subsidiaries and the risk that the investment may be impaired should the subsidiaries underperform.

Through the Group, the Company has considerable financial resources and as a consequence the Directors believe that the company is well placed to manage its business successfully. After making enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In undertaking this assessment, the Directors have taken into account the intergroup borrowings. Accordingly, the Directors have obtained written assurances from the parent entity that they will not seek repayment of amounts which would impact on the ability of the group to continue as a going concern. On this basis, the Directors continue to adopt the going concern basis in preparing the Financial Statements. Further disclosure regarding going concern is detailed within the Directors' Report.

SECTION 172 (1) STATEMENT
The Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Group to which the Company belongs for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Group to which the Company belongs are appropriately informed by s172 factors.

Section 172(1)(a) to (f) requires each Director to act in the way he or she considers would be most likely to promote the success of the Group to which the Company belongs for the benefit of its members as a whole, with regard to the following matters:

a) the likely consequences of any decision in the long term;

Five-year forecasts of profitability and cash flow has been prepared as part of the goodwill impairment testing. Management has good medium-term visibility of the business. Despite this, there will always be uncertain factors outside the control of Communisis and forecasting can never take into account unknown future economic, legal or regulatory changes which could impact the business and the markets in which it operates. The Board can confirm that they have a reasonable expectation that the Company will continue to operate and meet its liabilities as they fall due as part of the going concern assessments.

b) the interests of the Company's employees;

At Communisis we understand that the success of our business strategy is critically dependent upon the involvement of all employees. We appreciate that employee engagement and wellbeing not only benefit our employees but also have a direct impact upon the performance of our business and we seek to achieve that engagement in a number of ways The Board communicate our strategic goals to all of our managers and empower them to develop both themselves and those for whom they are responsible through focused training to ensure they can best deliver those goals. Further details on these can be found on Employee engagement section within the Director's Report.

c) the need to foster the Company's business relationships with suppliers and others;

Our supply chain is key to the success of Communisis. We work hand in hand with our suppliers to understand our environmental impact and we plan to do more to establish a reliable source of data within the supply chain through the strategic adoption of a supply chain management platform which will give us greater insights into the businesses that we work with.

d) the impact of the Company's operations on the community and the environment;

We actively encourage all employees to be socially active and participate in volunteering activities in the local community. We support this by allowing a paid volunteer day per employee per year. We are committed to the development, implementation and maintenance of an action plan to target improvements in our environmental and sustainability performance, in addition to helping our clients with theirs and to monitoring our progress over time.

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SECTION 172 (1) STATEMENT - continued

e) the desirability of the Company maintaining a reputation for high standards of business conduct;
Communisis values its reputation for ethical behaviour, financial integrity and reliability. It acknowledges that over and above the commission of any crime, any involvement in bribery will also reflect adversely on its reputation. Communisis' aim is to limit its exposure to bribery and corruption by: setting out a policy on anti-bribery and corruption; training all employees so that they can recognise and avoid the use of bribery by themselves and others; providing employees with a suitable channel of communication and ensuring sensitive information is treated appropriately; rigorously investigating instances of alleged bribery and assisting the police and other appropriate authorities in any resultant prosecution; and taking firm and vigorous action against any individual involved in bribery or corruption.

f) the need to act fairly between members of the Company.
Through an open and transparent dialogue with our key stakeholders, we have been able to develop a clear understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition and culture. As part of the Board's decision-making process, the Board and its senior management consider the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Company's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term.

ON BEHALF OF THE BOARD:

DocuSigned by:
Davinder Athwal
....
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D Athwal - Director

18 June 2021

COMMUNISIS LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report with the Financial Statements of the Company for the year ended 31 December 2020.

DIVIDENDS
Dividends paid during the year amounted to £nil (2019 £nil).

FUTURE DEVELOPMENTS
The Company is expected to continue on the same basis for the foreseeable future in line with the Company's strategic initiatives as set out in the Strategic Report.

DIRECTORS
The Directors who have held office during the period from 1 January 2020 to the date of this report are as follows:

A M Blundell - resigned 20 November 2020
S C Rawlins - resigned 20 November 2020
S W Bernstein - resigned 16 April 2020
K Herring - resigned 16 April 2020
Ms A Blanc - appointed 16 April 2020 - resigned 6 July 2020
I L G V Waesberghe - appointed 16 April 2020
A Rajparia - appointed 16 April 2020 - resigned 17 August 2020
P D Hoggarth - appointed 20 November 2020
T A Burgham - appointed 20 November 2020
D Athwal - appointed 20 November 2020
E W Ek - appointed 27 August 2020
A Vemuri - appointed 27 August 2020

FINANCIAL INSTRUMENTS
The Company finances its activities with a combination of intercompany loans with other Group entities, cash and lease contracts. Overdrafts are used to satisfy short term cash flow requirements. Other financial assets and liabilities, such as other debtors and trade creditors, arise directly from the Company's operating activities.

Financial instruments give rise to interest rate, credit, price and liquidity risk. These are managed at a group level, and further details can be obtained from the Group Financial Statements of OSG Bidco Limited.

DIRECTORS' INDEMNITY INSURANCE
Communisis Limited granted an indemnity to each of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity remains in force as at the date of approving the Directors' Report. The indemnity is controlled and paid centrally by the Company.

GOING CONCERN
As the Company does not trade, it is dependent on the results of operations of the Group as a whole which may vary based on the impact of changes in our industry or the global economy on us or our customers. The revenue growth and potential profitability of our business depend on demand for marketing offering and related services. Current or future economic uncertainties or downturns could adversely affect our business and results of operations.

Considering the uncertain situation relating to the spread of COVID-19, Management have implemented measures intended to help minimise the risk of the virus to our employees, our clients and the communities in which we participate, which could negatively impact our business.

The Board, together with the Management team continue to invest significant time, attention and resources to monitoring the COVID-19 pandemic in order to assess and mitigate the impact on the business and workforce. The extent to which COVID-19 and the precautionary measures may impact the business will depend on future developments, which are uncertain and cannot be reliably predicted at this time.

GOING CONCERN – continued
Given the nature of our business, at the date of issuance of these Financial Statements, all of the Group's printing and warehousing sites remain operational, and we continue to support all our customers including those in the banking, government, insurance and retail sectors.

As a result of the pandemic, Management have initiated a range of strategies designed to mitigate the impact of the expected downturn in the business. This has included:

- Regularly reviewing and communicating with all our key customers and suppliers regarding the impact of COVID-19 on them and the wider supply chain;
- Accessing available government assistance where relevant, in the jurisdictions where the Group operates;
- Proactively managing and reducing spend across the business and asking our employees to consider taking voluntary temporary pay reductions; and
- Proactively engaging with our clients and suppliers to ensure continuity of supply and a high level of client satisfaction.

Due to the unprecedented global impact of COVID-19, estimates and assumptions about future events and their effects are extremely challenging to determine with certainty and therefore require significant judgment. Notwithstanding the above, at the date of issuance of these Financial Statements, the Directors, have prepared a range of scenario forecasts which indicate that the Group has adequate resources to continue operational existence for the foreseeable future.

In addition, having received confirmation from the immediate parent company, OSG Bidco Limited, that it does not intend to demand repayment of amounts owed to it, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual Financial Statements.

EMPLOYEES
Employee Engagement
The Group to which the Company belongs takes a broad approach in ensuring that it engages with its colleagues to share information, seek feedback, gather views on decisions and then cascade key updates.

Directors and senior leadership teams are all held accountable for employee engagement and are regularly taking part in activity to share information and solicit feedback. They regularly communicate key actions and changes, as well as taking part in more formal consultation periods where there is significant change, or where change can direct impact an individual.

Throughout the year, the Group undertook several activities to ensure that it was communicating and sharing information. Some of the key actions include:

All Company Business Updates
On an approximately monthly basis, the Group invites the whole business to join the Executive Leadership Team on a Microsoft Teams broadcast. The agendas for these sessions vary, but broadly consist of an update from the CEO, content from around the organisation including focus on various business units, a financial update, and most importantly time for a live Question and Answer session. These sessions are well attended, recorded and a follow up consists of sharing the recording with all colleagues, as well as a transcript of the full Q&A session.

Union Engagement
Within the manufacturing business, UNITE and Accord Unions are recognised through Shop Stewards and Representatives, who have close working relationships with site management teams. Engagement is then through the Union leadership teams, up to the National Organizer.

Divisional/Team Sessions
Supplementing the 'all company sessions', board members ensure that there are regular team sessions which allow them and their leadership teams to spend more focussed time on what matters to colleagues in that area.

DIRECTORS' REPORT - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

EMPLOYEES - continued
Employee Engagement - continued
Written Updates/Pulse Communications
The Group has created a cadence of regular written updates on key actions or initiatives around the more formal updates. This has been particularly critical during the pandemic and has been a valuable source of information for colleagues in 2020.

Online Communities
In 2020 the Group successfully trialled a secure online communications platform for one of our divisions. This allowed colleagues to share content and news, comment and enter discussions, and come together online. This has been particularly successful in our international businesses where the geography, time zones and travel bans due to COVID-19 has made it difficult to feel connected to each other and the organisation. The Group intends to extend this more widely in the company in 2021.

Diversity
The Group to which the Company belongs has an ongoing commitment to equality and diversity and have retained accreditation to the Committed2Equality® standard in 2020. Following an annual audit, our accreditation has remained at Gold standard. The Group has focused on utilising appropriate recruitment processes and techniques to ensure it is able to reach all jobseekers. It has also committed to flexible working arrangements, and benefits provision, which assists staff with their work-life balance. The Group has in place an Equal Opportunities Policy and Statement. The ongoing commitment above, together with the Company's Equal Opportunities Policy and Statement, comprises the Group's policy on diversity.

The Group has a progressive policy towards equality. Whilst it has always taken the view that the most suitable candidate for any role should be the person who is appointed to that role, the Group also recognise the benefits that diversity can bring to any organisation and has embraced that philosophy when making all appointments into the business. The recruitment partnership, with market leader Randstad Sourceright, involves coaching, training and up-skilling our line managers to help them support our approach to both diversity and gender equality. The Group also partner with SHL for a suite of psychometric assessment tools which ensure it has an objective and fair approach to candidate selection.

No person employed by the Group will be treated less favourably on the grounds of (or the assumption or perception of) their disability. For example, candidates for employment or promotion will be assessed objectively against the requirements for the job, taking account of any reasonable adjustments that may be required for candidates with a disability. Our overall approach to diversity, equality and then subsequent specific areas (such as recruitment, training and all other relevant policies) ensures that everyone in the Group has the opportunity to enjoy rewarding careers, with valuable training and development, regardless of disability.

Mental Health and Wellbeing
The Group to which the Company belongs continued to grow its initiative to support its people's mental health and wellbeing.

The programme of works shows the Group's commitment to its people and that it takes the issue of mental health seriously and are committed to breaking down the taboo and helping end mental health discrimination in all workplaces.

During the year, the Group continued to rely on a network of Mental Health First Aiders, took time out to recognise key events, and continue the conversation around Mental wellbeing. The teams across the world took part in a number of events, many virtual or socially distanced – but we 'Moved for Mental Health' to promote exercise to improve wellbeing. In addition Zoom yoga classes, virtual Fika Fridays, home based Charity bake sales in aid of mental health charities and other activities and events were held across the Group to promote mental health and wellbeing.

Human Rights and Modern Slavery
The Group to which the Company belongs takes the issue of human rights seriously. The Modern Slavery Act 2015 has introduced changes in the UK law focusing on increasing transparency in supply chains. A copy of the Group's slavery and human trafficking statement can be found on the Company's website (www.communisis.com). The Group is committed to ensuring there is transparency in its approach in tackling modern slavery in our supply chain.

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DISCLOSURE IN THE STRATEGIC REPORT
The Companies Act 2006 requires us to present a fair review of the business during the year to 31 December 2020 and of the position of the Company at the end of the financial period along with a description of the principal risks and uncertainties faced. The Strategic Report can be found on pages 4 to 6.

DIRECTORS' RESPONSIBILITIES STATEMENT
The Directors are responsible for preparing the Strategic Report, Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year.

In preparing these Financial Statements, the Directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have 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.

AUDITORS
Crowe U.K. LLP have been appointed as auditor for the ensuing year in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD:

DocuSigned by:
Davinder Athwal
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D Athwal - Director

18 June 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNISIS LIMITED

Opinion

We have audited the Financial Statements of Communisis Limited (the 'Company') for the year ended 31 December 2020 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information in the Directors' Report but does not include the Financial Statements and our Report of the Auditors thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' Report and Strategic Report have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNISIS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page ten, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Financial Statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the Financial Statements from irregularities, including fraud, to be the override of controls by management and revenue recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases and reviewing revenue recognised in the period to ensure revenue had been recognised in the correct period.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNISIS LIMITED

Use of our report

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

DocuSigned by:

Leo Malkin

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Leo Malkin (Senior statutory auditor)
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London
EC4M 7JW

June 18, 2021

COMMUNISIS LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £'000	2019 as restated £'000
TURNOVER		**-**	-
Administrative expenses		**(6,065)**	(7,874)
Other income	3	**81**	-
OPERATING LOSS		**(5,984)**	(7,874)
Exceptional items	4	**32,839**	(15,668)
		26,855	(23,542)
Dividend income		**-**	1,313
Interest receivable and similar income		**10**	-
		26,865	(22,229)
Interest payable and similar expenses	5	**(4,081)**	(4,595)
PROFIT/(LOSS) BEFORE TAXATION	6	**22,784**	(26,824)
Tax on profit/(loss)	7	**506**	(272)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**23,290**	(27,096)

All income and expenses relate to continuing operations.

The accompanying Notes are an integral part of these Financial Statements.

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OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £000	2019 as restated £000
PROFIT/(LOSS) FOR THE YEAR	**23,290**	(27,096)
OTHER COMPREHENSIVE (LOSS)/INCOME		
Items that will not be reclassified to profit or loss:		
Actuarial (loss)/gain on defined benefit pension scheme	**(1,387)**	539
Income tax thereon	**324**	(90)
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR, NET OF INCOME TAX	**(1,063)**	449
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	**22,227**	(26,647)

The accompanying Notes are an integral part of these Financial Statements.

COMMUNISIS LIMITED (REGISTERED NUMBER: 02916113)

BALANCE SHEET
31 DECEMBER 2020

	Notes	2020 £000	2019 as restated £000
FIXED ASSETS			
Intangible assets	8	**226**	229
Tangible assets	9	**102**	145
Investments	10	**148,358**	214,265
		148,686	214,639
CURRENT ASSETS			
Debtors	11	**6,205**	4,096
Cash at bank		**2**	133
		6,207	4,229
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	**(72,146)**	(65,570)
NET CURRENT LIABILITIES		**(65,939)**	(61,341)
TOTAL ASSETS LESS CURRENT LIABILITIES		**82,747**	153,298
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13	**(361)**	(94,681)
PENSION LIABILITY	16	**(4,102)**	(3,065)
NET ASSETS		**78,284**	55,552
CAPITAL AND RESERVES			
Called up share capital	14	**54,513**	54,513
Share premium	14	**620**	620
Capital contribution reserve	15	**505**	-
Retained earnings	15	**22,646**	419
SHAREHOLDERS' FUNDS		**78,284**	55,552

The Financial Statements were approved by the Board of Directors and authorised for issue on 18 June 2021 and were signed on its behalf by:

DocuSigned by:
Davinder Athwal
....
E698A9A4D02841... D Athwal - Director

The accompanying Notes are an integral part of these Financial Statements.

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COMMUNISIS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up Share capital	Share premium	Capital contribution reserve	Retained earnings	Total equity
	£000	£000	£000	£000	£000
Balance at 1 January 2019 (as restated)	54,504	611	-	27,066	82,181
Changes in equity					
Issue of share capital	9	9	-	-	18
Total comprehensive loss	-	-	-	(26,647)	(26,647)
Balance at 31 December 2019 (as restated)	**54,513**	**620**	**-**	**419**	**55,552**
Changes in equity					
Capital contribution in year	-	-	505	-	505
Total comprehensive loss	-	-	-	22,227	22,227
Balance at 31 December 2020	**54,513**	**620**	**505**	**22,646**	**78,284**

The accompanying Notes are an integral part of these Financial Statements.

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS

The Financial Statements of Communisis Limited (the "Company") for the year ended 31 December 2020 were authorised for issue on 18 June 2021 and the Balance Sheet was signed on the Board's behalf by Mr D Athwal. Communisis Limited is incorporated and domiciled in England and Wales. The registered office is located at Communisis House, Manston Lane, Leeds LS15 8AH.

The Company Financial Statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable United Kingdom law and accounting standards.

The Company Financial Statements are presented in Sterling and all values are rounded to the nearest thousand British pounds (£000) except where otherwise indicated.

The Financial Statements present information about the Company as an individual undertaking and not about its group, as the Company has taken advantage of the exemption provided by section 400 of the Companies Act 2006 not to prepare Consolidated Financial Statements for year ended 31 December 2020 as it is included by full consolidation in the Consolidated Financial Statements of its parent company, OSG Bidco Limited, a company incorporated in England and Wales.

The principal accounting policies adopted by the Company are set out in Note 2.

2. ACCOUNTING POLICIES

2.1 Basis of preparation
The accounting policies which follow set out those policies which apply in preparing the Financial Statements for the year ended 31 December 2020.

Through the Group, the Company has considerable financial resources and as a consequence the Directors believe that the Company is well placed to manage its business. At the date of issuance of these Financial Statements, the Directors, have prepared a range of scenario forecasts which indicate that the Group (and therefore this entity) has adequate resources to continue operational existence for the foreseeable future. In addition, the immediate parent company, OSG Bidco Limited, has confirmed and provided written assurance that it does not intend to demand repayment of amounts owed to it. On this basis, the Directors continue to adopt the going concern basis in preparing the Financial Statements.

2. ***ACCOUNTING POLICIES - continued***

The Company has taken advantage of the following disclosure exemptions in preparing these Financial Statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases, the requirements of paragraph 58 of IFRS 16;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2020 that have a material impact on the Company's Financial Statements

2.2 Critical accounting judgements and key sources of estimation uncertainty
The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date 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.

Judgements
Exceptionals
The Company presents separately, on the face of the Income Statement, material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year. An element of Management judgement is required in identifying these exceptional items. Additional information is included in Note 4.

Estimation uncertainty
Pensions
The actuarial valuation involves making assumptions about mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Discount rates are based on interest rates of AA rated corporate bonds that have terms of maturity approximating to the terms of the relevant pension liability. Additional information is included in Note 16.

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2. ACCOUNTING POLICIES - continued

Determination of the appropriate rate to discount the lease payments
A key input into the present value calculation of the Company's lease liabilities is the discount rate, which may have a material impact on the valuation of the lease liability recorded. The discount rate also impacts the allocation of total expense between the depreciation and interest throughout the lease term. In transitioning to the new lease standard, the Company elected to apply the modified retrospective approach and as such the discount rate use to measure the lease liability at the date of initial application is the incremental borrowing rate. To arrive at an appropriate incremental borrowing rate on portfolio of leases with similar characteristics, certain adjustments have been made on readily observable rates such as property yield tó account for the length of the lease, the nature of the asset and the economic environment. For new leases from the date of initial application, the Company uses the rate implicit in the lease if it can readily be determined. Implicit rate is readily determined by considering the information made available by the Company's lessor.

Impairment assessment of non-financial assets
Management annually perform impairment test of indefinite lived assets and, for finite lived assets, if events or changes in circumstances indicate that the carrying amounts may not be recoverable. Impairment testing requires management to judge whether the carrying value of assets can be supported by the net present value of future cash flows that they generate. These calculations involve a variety of assumptions such as estimates of future cash inflows and outflows. Actual cash flows might, for example, differ significantly from management's current best estimate. Changes in assessed presence or absence of competitors, technological obsolescence etc. might have an impact on future cash flows and result in recognition of impairment losses.

2.3 Summary of significant accounting policies
Property, plant and equipment
Property, plant and equipment in the Financial Statements of the Company are stated at cost, less aggregate depreciation and any provision for impairment. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:
- Plant and equipment 2 to 10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Useful economic lives, depreciation methods and residual values are reviewed annually. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognised in the Income Statement.

Intangible assets
Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets created within the business are not capitalised (unless specific conditions are met) and expenditure is charged to the Income Statement in the year in which the expenditure is incurred.

Capitalised acquired computer software and licences are amortised over their estimated useful lives (2 to 8 years)

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Company, and that will generate probable economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the costs of software development employees. These costs are amortised over their estimated useful lives (2 to 8 years).

Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

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2. **ACCOUNTING POLICIES - continued**

Investments
Investments are shown at cost less provision for impairment. The cost of an investment is measured as the aggregate of the consideration transferred, measured at acquisition date fair value. Any contingent consideration will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or a liability will be recognised in accordance with IAS 39 either in profit and loss or in other comprehensive income. If the contingent consideration is classed as equity, it is not remeasured until it is finally settled within equity. Investments are reviewed for impairment annually or more frequently if events or changes in circumstances indicate that its carrying value may be impaired. Investments are allocated to the related cash-generating units monitored by management for the purpose of impairment testing.

Dividend recognition
The Company recognise final dividends on approval by the Board of Directors.

Financial instruments
Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets
On initial recognition, a financial asset is classified into one of three categories: amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL), based on the business model in which the financial asset is managed and its contractual cash flow characteristics. The Company's financial assets are currently all classified within IFRS 9's amortised cost model and comprise other receivables and cash and cash equivalents. The Company's financial assets are therefore initially recognised at fair value plus transaction costs that are directly attributable to their acquisition and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Impairment losses and any gain or loss on derecognition are recognised in the Income Statement.

When calculating impairment provisions, the Company assesses on a forward-looking basis the expected credit loss associated with its financial assets. For other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from the initial recognition of the receivable.

Financial liabilities
On initial recognition the Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired: fair value through profit and loss (FVTPL) and amortised cost. The Company's financial liabilities include trade and other payables. They are initially measured at fair value, net of transaction costs and then subsequently measured using the amortised cost model applying the effective interest rate method.

Government grants
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Foreign currencies
The Company's functional currency and presentation currency is Sterling. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the Balance Sheet date. All differences are taken to the Income Statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

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2. ACCOUNTING POLICIES - continued

Income tax
Current taxes are based on the results shown in the Financial Statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the Balance Sheet date.

Deferred income tax is provided, using the liability method, on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill, or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred income tax assets are recognised for all deductible temporary differences carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised. In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

Income tax relating to items recognised in other comprehensive income or directly in equity is also recognised in other comprehensive income or directly in equity.

Pension costs
The Company operates defined contribution and defined benefit pension plans.

Payments to defined contribution pension plans are charged as an expense to the Income Statement as incurred when the related employee service is rendered. The Company has no further legal or constructive payment obligations once the contributions have been made.

The defined benefit pension plan is a Group scheme, as detailed in the accounting policies (Note 2.3) of the OSG Bidco Limited Consolidated Financial Statements. The Company's share of the assets and liabilities of the scheme has been allocated on a contractual basis.

2. ACCOUNTING POLICIES - continued

The costs of administering the defined benefit pension scheme are recognised in employee benefits expense in the Income Statement. The Group determines the net interest income/expense on the net defined benefit assets/liabilities for the period by applying the discount rates used to measure the defined benefit obligations at the beginning of the period to the net defined benefit assets/liabilities at the beginning of the period, taking into account any changes in the net defined benefit assets/liabilities during the period as a result of contributions and benefit payments. The liability recognised in the Balance Sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the Balance Sheet date less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of AA rated corporate bonds that have terms of maturity approximating to the terms of the relevant pension liability. AA rated corporate bonds are used as the most suitable proxy for calculating the discount rate

All actuarial gains and losses that arise in calculating the present value of the defined benefit obligation and the fair value of plan assets are recognised immediately in the Statement of Comprehensive Income.

When a settlement or a curtailment occurs, the obligation and the related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the Income Statement during the period in which the settlement or curtailment occurs. A settlement is the elimination of all obligations for benefits already accrued and a curtailment is the reduction of future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement.

Leases

Under IFRS 16, at inception of a contract the Company assesses whether a contract is or contains a lease. 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.

As lessee, the Company recognises a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company (commencement date) for all leases.

The right-of-use assets is initially measured at cost and comprises the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any residual value guarantees;
- any initial direct costs; and
- any restoration costs.

The right-of-use asset is subsequently depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. The right-of-use asset is then adjusted for any impairment losses or certain measurements of the lease liability where applicable.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Company or relevant Company's incremental borrowing rate. Lease payments include the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Each lease payment is then allocated between the liability and finance cost. The finance cost is charged to the Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2. ACCOUNTING POLICIES - continued

The lease liability is measured at amortised cost using the effective interest method. It is remeasured where there is a change in future lease payments, if there is a change in the Company's estimate to be payable under a residual guarantee, or if the Company changes the assessment of whether it will exercise a purchase option or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the right-of-use asset or is recorded in the Income Statement if the carrying amount of the right-of-use asset has been reduced to zero.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office equipment.

Extension and termination options are included in a number of property and equipment leases across the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

When the Company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

2.4 Impact of prior period adjustments

During the year three prior period adjustments were identified; one relating to periods prior to 2005 and two in relation to the prior year. Consequently, the opening balances and prior year comparatives have been restated accordingly.

COMMUNISIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

The below table reconciles the 2019 signed Income Statement to the restated Income Statement in these Financial Statements.

	Signed Income Statement 2019 £000	Allocation amendment to 2019 Group *provision* (2) £000	Amendment to 2019 pension *accounting* (3) £000	Restated Income Statement 2019 £000
Turnover	-	-	-	-
Administrative expenses	(7,291)	(580)	(3)	(7,874)
Operating loss	(7,291)	(580)	(3)	(7,874)
Exceptional items	(15,668)	-	-	(15,668)
Dividend income	1,313	-	-	1,313
Interest payable & similar expenses	(4,595)	-	-	(4,595)
Loss before taxation	(26,241)	(580)	(3)	(26,824)
Income tax expense	(382)	110	-	(272)
Loss for the year	**(26,623)**	**(470)**	**(3)**	**(27,096)**
Other comprehensive loss	449	-	-	449
Total comprehensive loss	**(26,174)**	**(470)**	**(3)**	**(26,647)**

COMMUNISIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

The below table reconciles the 2019 signed Balance Sheet to the restated Balance Sheet in these Financial Statements.

	Signed Balance Sheet 2019 £000	Intercompany amendment (pre 2005) (1) £000	Allocation amendment to 2019 Group provision (2) £000	Amendment to 2019 pension accounting (3) £000	Restated Balance Sheet 2019 £000
FIXED ASSETS					
Intangible assets	229	-	-	-	229
Tangible assets	145	-	-	-	145
Investments	214,265	-	-	-	214,265
	214,639	-	-	-	214,639
CURRENT ASSETS					
Debtors	4,747	-	110	(761)	4,096
Cash at bank	133	-	-	-	133
	4,880		110	(761)	4,229
Creditors: Amounts due within one year	(64,990)	-	(580)	-	(65,570)
NET CURRENT LIABILITIES	**(60,110)**	**-**	**(470)**	**(761)**	**(61,341)**
TOTAL ASSETS LESS LIABILITIES	**154,529**	**-**	**(470)**	**(761)**	**153,298**
Creditors: Amounts due after one year	(98,369)	2,930	-	758	(94,681)
Pension liability	(3,065)	-	-	-	(3,065)
NET ASSETS	**53,095**	**2,930**	**(470)**	**(3)**	**55,552**
CAPITAL AND RESERVES					
Share capital	54,513	-	-	-	54,513
Share premium	620	-	-	-	620
Retained earnings	(2,038)	2,930	(470)	(3)	419
SHAREHOLDER'S FUNDS	**53,095**	**2,930**	**(470)**	**(3)**	**55,552**

(1) During the strike-off of legacy dormant entities it was identified that there was an intercompany imbalance dating back to pre-2005 in respect of a corporate restructuring project at the time.
(2) A Group provision was incorrectly split between Communisis Limited and its subsidiary Financial Statements in 2019.
(3) The accounting for certain pension costs in Communisis Limited and Communisis UK Limited's Financial Statements did not reflect the reporting in the Group Financial Statements in 2019.

3. EMPLOYEES AND DIRECTORS

The average no. of employees for the year ended 31 December 2020 is 68 (2019 65).

Employee benefits expense for the year ended 31 December:

	2020	2019
	£000	£000
Wages and salaries	**2,899**	3,285
Social security costs	**282**	357
Equity-settled share-based payment	**505**	-
Pension costs	**144**	151
	3,830	3,793

During the year, the Company received furlough income totalling £81,000 from the Government in respect of the COVID-19 pandemic. This has been shown as other operating income in the Income Statement.

A charge of £505,000 has been made in the year in respect of equity settled share options granted by the ultimate parent company, OSG Holdings Inc, to certain Directors of the Company in equity of the ultimate parent OSG Holdings Inc. The charge represents the fair value of those share options at the grant date, spread across the vesting period ending 31 December 2022. During the year no share options were exercised.

Four of the Communisis Limited Directors are remunerated through a higher Group Company situated in the United States, which reports under US GAAP. It is therefore not practicable or appropriate to apportion the emoluments of these Directors to this UK company in relation to their qualifying services provided. The following disclosures therefore relate to UK based Directors only.

	2020	2019
	£000	£000
Remuneration receivable	**627**	711
Remuneration of highest paid director	**366**	417

Two Directors had benefits accruing under the Group's pension schemes during the year ended 31 December 2020 (2019 one).

It is not practicable to apportion these emoluments of the Directors amongst subsidiary entities in relation to their qualifying services provided.

4. EXCEPTIONAL ITEMS

	2020	2019
	£000	£000
Restructuring and transformation costs	**4,015**	1,168
Net credit following dormant entity strike-offs	**(37,080)**	-
Other one-off charges	**226**	-
Investment write-off	**-**	14,500
Exceptional (credit)/charge	**(32,839)**	15,668

4. EXCEPTIONAL ITEMS - continued

The following non-recurring costs were incurred in the year ended 31 December 2020:

- Restructuring and transformation costs totalling £4,015,000 have been incurred to reduce the cost base and deliver efficiency improvements. The restructuring costs included £2,927,000 in respect staff costs of which £1,264,000 is unpaid at 31 December 2020.
- The net credit of £37,080,000 following the strike-off of 49 legacy dormant entities includes an intercompany release of £102,987,000 and subsequent investment reduction of £65,907,000.

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020 £000	2019 £000
Interest expense on loan from parent company	**3.822**	4,157
Interest expense on other loans and borrowings	**183**	317
Retirement benefit cost	**64**	118
Foreign currency loss/(gain)	**9**	(1)
Interest expense on lease liability	**3**	4
	4,081	4,595

6. PROFIT/(LOSS) BEFORE DEFERRED TAXATION

The profit/(loss) before taxation is stated after charging:

	2020 £000	2019 £000
Plant and machinery depreciation	**18**	21
Motor vehicle depreciation – right-of-use assets	**25**	31
Computer software amortisation	**76**	80
Auditors' remuneration	**21**	21

The Company is exempt from disclosing remuneration for non-audit services as the Group accounts are required to include the information required by Regulation 4(1)(b) of the Companies Regulations 2005 in respect of the Group.

7. TAXATION

	2020 £000	2019 as restated £000
Current tax	**(276)**	(1,113)
Adjustments in respect of prior periods	**(162)**	1,460
Total current tax (income)/expense	**(438)**	347
Deferred tax:		
Origination and reversal of timing difference	**(52)**	(75)
Adjustments in respect of prior periods	**(16)**	-
Total deferred tax (income)/expense	**(68)**	(75)
Total tax (income)/expense in Income Statement	**(506)**	272

7. **TAXATION - continued**

Factors affecting the tax expense
The tax assessed for the year is lower (2019 higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019 as restated
	£000	£000
Profit/(loss) before income tax	22,784	(26,824)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	4,329	(5,097)
Effects of:		
Other non-taxable income	(19,567)	(255)
Expenses not deductible for tax purposes	103	25
Impairment not deductible for tax purposes	12,522	2,755
Adjustments in respect of prior years	(178)	1,460
Tax losses carried forward not currently deductible	2,285	1,384
Tax (income)/expense	(506)	272

Tax effects relating to effects of other comprehensive income

	Gross	2020 Tax	Net
	£'000	£'000	£'000
Actuarial loss on defined benefit scheme	(1,387)	324	(1,063)

	Gross	2019 Tax	Net
	£'000	£'000	£'000
Actuarial gain on defined benefit scheme	539	(90)	449

8. INTANGIBLE FIXED ASSETS

	Computer software £000
COST	
At 1 January 2020	560
Additions	73
At 31 December 2020	633
AMORTISATION	
At 1 January 2020	331
Amortisation for year	76
At 31 December 2020	407
NET BOOK VALUE	
At 31 December 2020	226
At 31 December 2019	229

As at 31 December 2020, the Company had not entered into any contractual commitments for the acquisition of intangible assets.

9. TANGIBLE FIXED ASSETS

	Plant and machinery £000
COST	
At 1 January 2020 and 31 December 2020	354
DEPRECIATION	
At 1 January 2020	209
Charge for year	43
At 31 December 2020	252
NET BOOK VALUE	
At 31 December 2020	102
At 31 December 2019	145

Included within Plant and machinery above are right-of-use assets with a net book value of £26,000 (2019 £51,000) in relation to motor vehicle lease contracts under IFRS 16. There have been no additions to right-of-use assets during the financial year (2019 £nil).

As at 31 December 2020, the Company had not entered into any contractual commitments for the acquisition of tangible fixed assets.

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10. INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 January 2020	405,021
Disposals	(35,451)
At 31 December 2020	369,570
PROVISIONS	
At 1 January 2020	190,756
Provision for year	65,907
Eliminated on disposal	(35,451)
At 31 December 2020	221,212
NET BOOK VALUE	
At 31 December 2020	148,358
At 31 December 2019	214,265

The Directors are of the opinion that the aggregate value of the investments in subsidiary undertakings, which are stated at cost less amounts written off for permanent reductions in value, is not less than the Balance Sheet amount.

The Company had a 100% holding on the subsidiary companies listed below:

Subsidiary company	Nature of business	Country of incorporation
Communisis UK Limited	Provision of marketing services	England and Wales
Communisis Data Intelligence Limited	Provision of data services	England and Wales
Life Marketing Consultancy Limited	Provision of advertising services	England and Wales
Communisis Trustee (2011) Company Limited	Non-trading company	England and Wales
Communisis Europe Limited	Holding company	England and Wales
Communisis International Limited	Holding company	England and Wales
Communisis Inc.	Holding company	USA
Communisis Newco Limited	Dormant company	England and Wales
John Mansfield Timber Limited	Dormant company	England and Wales
NEWJMTCO Limited *(i)*	Dormant company	England and Wales
Robot No.6 Limited *(i)*	Dormant company	England and Wales
Waddington Limited	Holding company	England and Wales
Waddingtons Security Print Limited *(i)*	Dormant company	England and Wales
Communisis Dataform Limited *(i)*	Dormant company	England and Wales
Communisis Financing Limited	Non-trading company	England and Wales

(i) Company has been struck off post yearend.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019 as restated*
Amounts falling due within one year:	**£000**	**£000**
Amounts owed by subsidiary companies	**3,717**	912
Other debtors	**719**	517
Prepayments	**369**	83
Income tax receivable	**516**	1,442
VAT receivable	**-**	531
	5,321	3,485
Amounts falling due after more than one year:		
Deferred tax asset	**884**	611
Aggregate amounts	**6,205**	**4,096**

**The comparative for 'other debtors' and 'income tax receivable' have been restated as outlined in Note 2.4.*

Deferred tax asset

	2020	2019
	£000	**£000**
Depreciation in excess of capital allowances	**46**	44
Temporary differences	**14**	15
Pension	**780**	523
Financial liabilities	**44**	29
	884	611

The provision for deferred tax at 31 December 2020 has been made at 19% reflecting the legislation included in the Finance Act 2020 and does not take account of the proposal to increase the rate to 25% included in Finance Bill 2021 because, at the date of signing, this had not been substantively enacted. If the rate change had been enacted it would have increased the Deferred Tax Asset by £246,000.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019 as restated*
Amounts falling due within one year:	**£000**	**£000**
Lease liabilities	**22**	28
Trade payables	**461**	128
Amounts due to subsidiary companies	**33**	111
Bank overdrafts	**4,511**	3,096
Amounts due to parent company	**61,293**	58,420
Other payables	**21**	225
Taxation and social security	**3,868**	1,810
Accruals	**1,937**	1,752
	72,146	65,570

**The comparative for 'accruals' has been restated as outlined in Note 2.4.*

Bank overdrafts
The bank overdrafts are principally denominated in Sterling and bear interest at rates set by reference to the UK base rate. The overdrafts are secured by cross guarantee arrangements with the relevant banks.

Lease liabilities
The Company's total lease liabilities at 31 December 2020 amounted to £29,000 (2019 £54,000) and pertains to leases of motor vehicles. At 31 December 2020, the Company had no short-term or low value lease commitments under IFRS 16. The total cash outflow for leases during the year was £28,000 (2019 £34,000).

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019 as restated*
	£000	**£000**
Amounts due to subsidiary companies	**-**	94,483
Other creditors	**122**	-
Financial liabilities	**232**	172
Lease liabilities	**7**	26
	361	94,681

**The comparative for 'amounts owed to group undertakings' has been restated as outlined in Note 2.4.*

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	**Class:**	**Nominal value:**	**2020 £000**	**2019 £000**
218,052,257	Ordinary shares	£0.25	**54,513**	54,513

The Company has one class of ordinary shares which carry no right to fixed income.

Share premium
This represents the share premium attaching to those shares issued upon the exercise of share options. At 31 December 2020 the share premium reserve was £620,000 (2019 £620,000). Following acquisition of Communisis Limited by OSG Bidco Limited on 10 December 2019, Communisis Limited de-listed its shares on the London Stock Exchange. The operation of the scheme has now been terminated.

15. RETAINED EARNINGS AND RESERVES

Retained earnings

	2020 £000	2019 as restated £000
At 1 January	**419**	24,136
Prior period amendment (Note 2.4)	**-**	2,930
Profit/(loss) for the financial year	**23,795**	(26,623)
Amendment of current year loss (Note 2.4)	**-**	(473)
Actuarial (loss)/gain on defined benefit pension scheme	**(1,387)**	539
Income tax charge on items taken directly to other comprehensive income	**324**	(90)
At 31 December	**23,151**	419

Capital contribution reserve

An intercompany loan of £505,000 from the immediate parent, OSG Bidco Limited, in relation to the share options granted to certain Directors has been converted to equity during the year.

16. EMPLOYEE BENEFIT OBLIGATIONS

The Company operates the Communisis Pension Plan which comprise a defined contribution and defined benefit section.

Defined contribution section

The Company operates UK defined contribution arrangements. The assets of the arrangements are held separately from those of the Company. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Company with respect to the retirement benefit scheme is to make the specified contributions.

The total cost charged to income of £159,000 (2019 £168,000) represents contributions payable to these arrangements by the Company at specified rates. As at 31 December 2020 all contributions due in respect of the current reporting period had been paid over to the arrangements on 18 January 2021 (2019 4 January 2020).

The Company expects to contribute £100,000 to the defined contribution pension arrangements in 2021.

Defined benefit section

These Financial Statements include a proportion of the Group pension deficit and charge which has been allocated to the Company based on the number of members employed by the Company at the time the scheme was closed to future accrual.

The amounts recognised in the Balance Sheet are as follows:

	2020 £000	2019 £000
Defined benefit obligation	**(26,452)**	(23,860)
Fair value of plan assets	**22,350**	20,795
Net pension deficit	**(4,102)**	(3,065)

COMMUNISIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the Income Statement are as follows:

	2020 £'000	2019 £'000
Net interest expense	**64**	118
Administrative expenses	**211**	137
	275	255

Changes in the fair value of the funded status of the defined benefit plan are as follows:

	2020 £000	2019 £000
Opening net pension deficit	**(3,065)**	(3,965)
Contributions by employer	**625**	616
Net interest expense	**(64)**	(118)
Administration costs	**(211)**	(137)
Return on assets	**1,706**	2,448
Actuarial loss	**(3,093)**	(1,909)
Closing net pension deficit	**(4,102)**	(3,065)

Changes in the present value of the defined benefit obligation are as follows:

	2020 £'000	2019 £'000
Opening defined benefit obligation	**23,860**	22,477
Interest cost	**482**	657
Benefits paid	**(983)**	(1,183)
Actuarial losses	**3,093**	1,909
	26,452	23,860

Changes in the fair value of scheme assets are as follows:

	2020 £'000	2019 £'000
Opening fair value of scheme assets	**20,795**	18,512
Contributions by employer	**625**	616
Interest income	**418**	539
Benefits paid	**(983)**	(1,183)
Administrative expenses	**(211)**	(137)
Return on plan assets	**1,706**	2,448
	22,350	20,795

16. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in other comprehensive income are as follows:

	2020	2019
	£'000	£'000
Actuarial losses	(3,093)	(1,909)
Return on plan assets	1,706	2,448
	(1,387)	539

The major categories of scheme assets as amounts of total scheme assets are as follows:

	2020	2019
	£'000	£'000
Diversified growth fund	7,647	9,175
Liability driven investments	3,990	2,478
Synthetic equities / liabilities	3,469	2,759
Diversified alternatives	2,404	2,221
Property income fund	1,817	1,772
Direct lending	2,013	1,578
Insured liabilities	276	267
Cash	734	545
	22,350	20,795

None of the above represent equities or bonds issued by the Group, or properties owned by the Group.

Communisis Trustee (2011) Company Limited (the 'Trustee') is appointed to manage the Plan on behalf of the members in accordance with its Trust Deed and Rules and relevant pension legislation. During the year, the Group changed the Plan's governance model to that of a sole Trustee. Steve Southern became sole Trustee Director and the other three Trustee Directors resigned their roles with effect from 2 April 2020.

The overall management of the investment of the assets of the Pension Plan is the responsibility of the Plan Trustee. However, the day-to-day execution of the investment and associated transactions is delegated to the Plan's appointed Investment Managers. The Trustee agreed investment strategy is based on analysis of the liability profile of the Pension Plan and the risk and returns expected from the various asset classes held over the longer term. The primary objective of the Trustee is to operate a strategy which provides long-term growth and security for all beneficiaries.

The risk that the investments may not be sufficient to cover the Plan liabilities is one which is monitored by the Trustee and their advisers as well as by the Group. The funding position and the divergence of invested assets is under regular review.

In February 2012, Communisis Limited and the Trustee agreed to a Central Asset Reserve arrangement involving the securitisation of a rental stream on one of the Group's freehold properties to help address the pension fund deficit. In connection with the arrangement certain freehold property was transferred to a limited partnership established by the Group. The partnership is controlled by, and its results are consolidated by, the Group. The value of the assets transferred was £9,750,000 and on the same date the Plan used the contribution to acquire an interest in the partnership for its value of £9,750,000. In September 2019, it was agreed that the Plan's partnership interest entitles it to a distribution of £1,150,000 each year from the income of the partnership up to 2031. The Plan's interest in the partnership does not qualify as a Plan asset for the Group.

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

In addition to the rental payments referred to above, following the triennial actuarial valuation performed at 31 March 2017, in order to remove the deficit, a further Recovery Plan was agreed. The Recovery Plan comprised eight annual contributions, payable by 5 October each year from 2017 up to and including 2024. In September 2019, it was agreed that annual deficit repair contributions to the Plan were extended out to 2030 and the contributions will increase annually by a fixed 10%. The actuarial valuation at 31 March 2020 was undertaken during the year but the results have not yet been finalised and so the assessment of the Recovery Plan is not yet complete.

The Group expects to pay £5,918,000 to the defined benefit pension scheme in 2021, of which £1,150,000 relates to annual rent and £1,319,000 to administration costs including the Pension Protection Fund levy. The Board continues to work with the Trustee to seek opportunities to reduce the deficit and liability exposure and accelerate progress to the goal of "self-sufficiency" for the defined benefit pension scheme.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2020	**2019**
Discount rate	**1.35%**	2.00%
Inflation assumption Retail Price Index	**3.00%**	3.00%
Inflation assumption Consumer Price Index	**2.40%**	2.10%

Mortality rates
Mortality rates have assumed the base table of 110% of SAPS S2PXA to be consistent with the approach adopted at the actuarial valuation dated 31 March 2017. Assumed life expectancy for a member is as follows:

	2020 Years	**2019 Years**
Current pensioners:		
Male	**20.2**	20.1
Female	**22.2**	22.0
Future pensioners:		
Male	**21.2**	21.1
Female	**23.4**	23.2

Sensitivity analysis
Sensitivity analysis has been performed to determine the impact on the defined benefit obligation as a result of reasonable changes in the key assumptions occurring at the end of the reporting period. A 0.1 percentage point change (in absolute terms), in the factors below would have the following effects:

	Increase £000	**Decrease £000**
Discount rate		
Effect on defined benefit obligation	**(3,500)**	**3,600**
Inflation		
Effect on defined benefit obligation	**2,400**	**(2,400)**

A one year increase in life expectancy would have the following effect:

	2020 £000
Effect on defined benefit obligation	**9,400**

The Plan is exposed to inflation and interest rate risk and changes in the life expectancy of pensioners. The Plan's exposure to equity market risk is mitigated by a diverse portfolio of investments. The weighted average duration of the defined benefit obligation at 31 December 2020 is approximately 17 years (2019 17 years).

17. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

During the year the Directors were remunerated for services provided to the Group. This has been disclosed in Note 3. The Directors are considered to be the key management personnel.

There were no other related party transactions in the year that require disclosure under IAS 24.

18. IMMEDIATE AND ULTIMATE PARENT COMPANY

On 10 December 2018 Communisis Limited was acquired by OSG Bidco Limited. OSG Bidco Limited and Communisis Limited are both registered in England and Wales. OSG Bidco Limited is an indirect subsidiary of OSG Group Holdings, Inc. OSG Group Holdings, Inc. (incorporated in Delaware, United States) is regarded by the Directors as being the Company's ultimate parent company for the year ended 31 December 2020.

The only UK group into which the results of the Company are consolidated for year ended 31 December 2020 is that headed by OSG Bidco Limited. Copies of the Group accounts of OSG Bidco Limited are available from the registered office at Communisis House, Manston Lane, Leeds LS15 8AH.