

REGISTERED NUMBER: 00173691 (England and Wales)

WADDINGTON LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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WADDINGTON LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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WADDINGTON LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

DIRECTORS:

Mr J R H Riddle
Mr T A Burgham

SECRETARY:

T A Burgham

REGISTERED OFFICE:

Communis House
Manston Lane
Leeds
LS15 8AH

REGISTERED NUMBER:

00173691 (England and Wales)

AUDITORS:

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

WADDINGTON 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.

Waddington limited is a subsidiary of Communisis Limited and no longer trades. The principal activity of the Company during the year was to act as a holding company.

DIVIDENDS

During the year the Company paid preference dividends of £6,000 (2019 £7,000).

DIRECTORS

Mr J R H Riddle has held office during the whole of the period from 1 January 2020 to the date of this report.

Other changes in Directors holding office are as follows:

Mr T A Burgham was appointed as a Director on 20 November 2020.

Mr S C Rawlins resigned on 20 November 2020.

FINANCIAL INSTRUMENTS

The Company is financed by intercompany loans with other Group entities.

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

The immediate parent company, 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 immediate parent company.

GOING CONCERN

As at 31 December 2020 the Company had net assets of £12,093,000 (2019 £91,897,000). The Financial Statements have been prepared on the going concern basis as the immediate parent company, Communisis Limited, has agreed to provide financial support to the Company for the foreseeable future.

The Company is part of a UK Group headed in the UK by OSG Bidco Limited (the "Group") and the Directors have considered the results of the UK Group in making their assessment. As last year, the global COVID-19 pandemic is expected to have a significant impact on the Group's results for the forthcoming financial year. The Board, together with the management team continue to invest significant time, attention and resources 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.

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.
- 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.

WADDINGTON LIMITED

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

GOING CONCERN - continued

In addition, having received confirmation from the immediate parent company, Communisis 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.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. The Directors have taken advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the 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 re-appointed as auditor for the ensuing year in accordance with section 485 of the Companies Act 2006.

SIGNED ON BEHALF OF THE DIRECTORS:

DocuSigned by:



Tim Burgham - Director

18 June 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WADDINGTON LIMITED

Opinion

We have audited the Financial Statements of Waddington 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WADDINGTON 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 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 three, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WADDINGTON 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:



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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

WADDINGTON LIMITED**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £'000	2019 £'000
TURNOVER		-	-
Other operating income	3	<u>2</u>	<u>-</u>
OPERATING PROFIT		-	-
Interest payable and similar expenses	5	(6)	(7)
Investment write off	8	<u>(79,800)</u>	<u>(7)</u>
LOSS BEFORE TAXATION		(79,804)	(7)
Tax on loss	7	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(79,804)</u>	<u>(7)</u>

All income and expenses relate to continuing operations.

WADDINGTON LIMITED

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £'000	2019 £'000
LOSS FOR THE YEAR	(79,804)	(7)
OTHER COMPREHENSIVE INCOME	—	—
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>(79,804)</u>	<u>(7)</u>

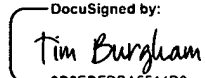
The notes on pages 11 to 17 form part of these Financial Statements

WADDINGTON LIMITED (REGISTERED NUMBER: 00173691)**BALANCE SHEET
31 DECEMBER 2020**

	Notes	2020 £'000	2019 £'000
FIXED ASSETS			
Investments	8	1,060	80,860
CURRENT ASSETS			
Debtors	9	<u>11,138</u>	<u>11,142</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,198	92,002
CREDITORS			
Amounts falling due after more than one year	10	<u>(105)</u>	<u>(105)</u>
NET ASSETS		<u>12,093</u>	<u>91,897</u>
CAPITAL AND RESERVES			
Called up share capital	12	27,076	27,076
Share premium	13	4,584	4,584
Retained earnings	13	<u>(19,567)</u>	<u>60,237</u>
SHAREHOLDERS' FUNDS		<u>12,093</u>	<u>91,897</u>

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

DocuSigned by:


3026DFPB554108
Mr T A Burgham - Director

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

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Total equity £'000
Balance at 1 January 2019	27,076	60,244	4,584	91,904
Changes in equity				
Total comprehensive loss	-	(7)	-	(7)
Balance at 31 December 2019	<u>27,076</u>	<u>60,237</u>	<u>4,584</u>	<u>91,897</u>
Changes in equity				
Total comprehensive loss	-	(79,804)	-	(79,804)
Balance at 31 December 2020	<u>27,076</u>	<u>(19,567)</u>	<u>4,584</u>	<u>12,093</u>

The notes on pages 11 to 17 form part of these Financial Statements

WADDINGTON LIMITED

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

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE

The Financial Statements of Waddington 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 T A Burgham. Waddington Limited is a private limited company, incorporated and domiciled in England and Wales. The registered office is located at Communisis House, Manston Lane, Leeds LS15 8AH.

The 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 Financial Statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when 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 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

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.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

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 IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- 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;
- 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.

WADDINGTON LIMITED

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

2. ACCOUNTING POLICIES - continued

Significant accounting judgements and estimates

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of Investments

The carrying amount of Investments is tested for impairment whenever events or changes in circumstances indicate that the carrying amount will not be recovered. If such analysis indicates an excessive carrying amount, the recoverable amount of the asset is estimated. The recoverable amount is the higher of the asset's fair value less selling costs, and its value in use. Value in use is measured as the discounted future cash flows of the asset, alternatively the cash-generating unit to which the asset belongs. The carrying amount of investments at 31 December 2020 was £1,060,000 (2019 £80,860,000).

Significant accounting policies

Investments

Investments in subsidiary undertakings are shown at cost less provision for impairment. Investments are reviewed for impairment annually or more frequently if events or changes in circumstances indicate that its carrying value may be impaired.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a 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 amounts owed by parent undertaking. 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 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.

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. Financial liabilities held for trading are measured at FVTPL, and all other financial liabilities are measured at amortised cost unless the fair value option is applied. The liability component of the Company's preference shares have been classified as financial liabilities at amortised cost.

WADDINGTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****2. ACCOUNTING POLICIES - continued****Preference shares**

The component of the preference shares that exhibits characteristics of a liability is recognised as a liability in the Balance Sheet, net of transaction costs. The corresponding dividends on those shares are charged as interest expense in the profit and loss account. The Company recognises interim and final dividends on approval by the Board of Directors.

Taxation

Current tax, being UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

3. OTHER OPERATING INCOME

	2020 £000	2019 £000
Other operating income	<u>2</u>	<u>-</u>

4. EMPLOYEES AND DIRECTORS

Other than the Directors, the Company did not employ any staff during the year ended 31 December 2020 (2019 none).

The remuneration for the Directors has been borne by other Group companies as they are also Directors or officers of a number of the companies within the Group. The Directors' services to Waddington Limited occupy a negligible amount of their time. As such, the Directors do not consider that they have received any remuneration for their services to the Company.

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

Two Directors exercised the share options of the parent company, Communisis Limited, during the year ended 31 December 2019. Following acquisition of Communisis Limited by OSG Bidco Limited on 10 December 2018, Communisis Limited de-listed its shares on the London Stock Exchange. The operation of the scheme has now been terminated.

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

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020 £000	2019 £000
Preference dividends paid	<u>6</u>	<u>7</u>

WADDINGTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****6. LOSS BEFORE TAXATION**

The audit fee of £2,100 was borne by another group company in the year ended 31 December 2020 (2019 £2,100).

7. TAXATION**Analysis of tax expense**

No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£'000	£'000
Loss before income tax	<u>(79,804)</u>	<u>(7)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19.00% (2019 19.00%)	(15,163)	(1)
Effects of:		
Expenses not deductible for tax purposes	1	1
Write off of investments not deductible for tax purposes	<u>15,162</u>	<u>1</u>
Tax expense	<u>-</u>	<u>-</u>

8. INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 January 2020	112,884
Write off	<u>(111,824)</u>
At 31 December 2020	<u>1,060</u>
PROVISIONS	
At 1 January 2020	32,024
Write off	<u>(32,024)</u>
At 31 December 2020	<u>-</u>
NET BOOK VALUE	
At 31 December 2020	<u>1,060</u>
At 31 December 2019	<u>80,860</u>

WADDINGTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****8. INVESTMENTS - continued**

During the year the Group undertook a project to strike off a number of its dormant companies and as a consequence the Company wrote off £79,800,000 of its investments.

The Company's investments at the Balance Sheet date in the share capital of companies include the following:

Waddington Business Forms Limited

Registered office: Communisis House, Manston Lane, Leeds, England LS15 8AH

Nature of business: Dormant - non-trading

	%
Class of shares:	holding
Ordinary	100.00

Waddingtons Games Limited

Registered office: Communisis House, Manston Lane, Leeds, England LS15 8AH

Nature of business: Dormant - non-trading

	%
Class of shares:	holding
Ordinary	100.00

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.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£'000	£'000
Amounts owed by parent undertaking	<u>11,138</u>	<u>11,142</u>

Amounts owed by parent undertaking are interest free and are repayable on demand. Management has determined that any expected credit losses on these intercompany loans are immaterial.

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

	2020	2019
	£'000	£'000
Preference shares (see note 11)	<u>105</u>	<u>105</u>

WADDINGTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****11. FINANCIAL LIABILITIES - BORROWINGS**

	2020 £'000	2019 £'000
Non-current:		
Preference shares	<u>105</u>	<u>105</u>

Terms and debt repayment schedule

	More than 5 years £'000
Preference shares	<u>105</u>

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £'000	2019 £'000
105,067	6% and 8% Cumulative Preference shares	1.00	<u>105</u>	<u>105</u>

12. CALLED UP SHARE CAPITAL**Allotted, issued and fully paid:**

Number:	Class:	Nominal value:	2020 £'000	2019 £'000
106,321,567	Ordinary shares	£0.25	26,580	26,580
496,000	6% and 8% Cumulative Preference shares	£1.00	<u>496</u>	<u>496</u>
			<u>27,076</u>	<u>27,076</u>

The preference shares carry no voting rights other than in certain circumstances affecting the rights of the preference shareholders, details of which are set out in the Company's Articles of Association. The 8% cumulative preference shares rank in priority to the 6% cumulative preference shares both as to dividends and on a winding up. Both classes of preference shares rank ahead of the ordinary shares in respect of dividends and on a winding up. Rights on a winding up are limited to repayment of capital and any arrears of dividends. The equity component of the preference shares is £496,000 and the liability component is £105,000.

13. RESERVES

	Retained earnings £'000	Share premium £'000	Totals £'000
At 1 January 2020	60,237	4,584	64,821
Deficit for the year	<u>(79,804)</u>	<u>-</u>	<u>(79,804)</u>
At 31 December 2020	<u>(19,567)</u>	<u>4,584</u>	<u>(14,983)</u>

WADDINGTON LIMITED

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

14. IMMEDIATE AND ULTIMATE PARENT COMPANY

The Company's immediate parent company is Communisis Limited.

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 is available from the registered office at Communisis House, Manston Lane, Leeds LS15 8AH.

15. 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 4. The Directors are considered to be key management personnel.

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