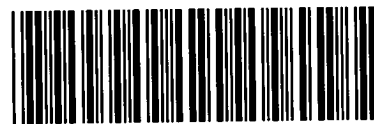


**REGISTERED NUMBER: SC198718 (Scotland)**

**EDITIONS PUBLISHING LIMITED**  
**DIRECTORS' REPORT AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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**EDITIONS PUBLISHING LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**EDITIONS PUBLISHING LIMITED**

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

**DIRECTORS:**

Mr T A Burgham  
Mr P D Hoggarth

**SECRETARY:**

Mr T A Burgham

**REGISTERED OFFICE:**

50 Lothian Road  
Edinburgh  
Midlothian  
EH3 9WJ

**REGISTERED NUMBER:**

SC198718 (Scotland)

**AUDITORS:**

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

## **EDITIONS PUBLISHING LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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

#### **PRINCIPAL ACTIVITY**

The principal activity of the Company is to provide coordinated content marketing delivery services to clients belonging to financial services industry.

#### **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.

#### **DIRECTORS**

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

Mr A M Blundell - resigned 20 November 2020  
Mr S C Rawlins - resigned 20 November 2020  
Mr T A Burgham - appointed 20 November 2020  
Mr P D Hoggarth - appointed 20 November 2020

#### **FINANCIAL INSTRUMENTS**

The Company finances its activities with a combination of intercompany loans with other Group entities and cash. Other financial assets and liabilities, such as trade 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**

The parent Company, Communis Limited has 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 parent Company.

#### **GOING CONCERN**

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.

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.

The results of the Group's operations 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.

## **EDITIONS PUBLISHING LIMITED**

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

#### **GOING CONCERN - continued**

Given the nature of our business, at the date of issuance of these Financial Statements, all of our printing and warehousing sites remain operational, and we continue to support all our customers including those in the banking, government and insurance 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
- 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 to which the Company belongs has adequate resources to continue in operational existence for the foreseeable future.

Based on the measures put in place by the Board and Management, in addition to the confirmation from Output Services Group Inc. to 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.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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.



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EDITIONS PUBLISHING LIMITED**

### **Opinion**

We have audited the Financial Statements of Editions Publishing 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 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 EDITIONS PUBLISHING 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.
- the Directors were not entitled to prepare the Financial Statements in accordance with the small companies' regime and take advantage of the small companies exemption in preparing the Directors Report and from the requirement to prepare a Strategic Report

### **Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement set out on page four, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EDITIONS PUBLISHING 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Leo Malkin*

4E628F37928C4EB  
Leo Malkin (Senior statutory auditor)

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

55 Ludgate Hill

London

EC4M 7JW

August 10, 2021

**EDITIONS PUBLISHING LIMITED****INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

|                                       | Notes | 2020<br>£        | 2019<br>£        |
|---------------------------------------|-------|------------------|------------------|
| <b>TURNOVER</b>                       | 3     | 3,041,797        | 4,287,640        |
| Cost of sales                         |       | <u>(214,563)</u> | <u>(752,643)</u> |
| <b>GROSS PROFIT</b>                   |       | 2,827,234        | 3,534,997        |
| Administrative expenses               |       | (2,309,870)      | (2,949,659)      |
| Other operating income                | 4     | <u>48,350</u>    | <u>-</u>         |
| <b>OPERATING PROFIT</b>               |       | 565,714          | 585,338          |
| Exceptional restructuring costs       | 5     | <u>(34,343)</u>  | <u>(75,420)</u>  |
|                                       |       | 531,371          | 509,918          |
| Interest payable and similar expenses | 6     | <u>(9,701)</u>   | <u>(42,636)</u>  |
| <b>PROFIT BEFORE TAXATION</b>         | 7     | 521,670          | 467,282          |
| Tax on profit                         | 8     | <u>(99,000)</u>  | <u>(91,472)</u>  |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>  |       | <u>422,670</u>   | <u>375,810</u>   |

All income and expenses relate to continuing operations.

**EDITIONS PUBLISHING LIMITED**

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

|  | <b>2020</b>           | <b>2019</b>           |
|--|-----------------------|-----------------------|
|  | <b>£</b>              | <b>£</b>              |
| <b>PROFIT FOR THE YEAR</b>                         | <b>422,670</b>        | <b>375,810</b>        |
| <b>OTHER COMPREHENSIVE INCOME</b>                  | <u>-</u>              | <u>-</u>              |
| <b>TOTAL COMPREHENSIVE INCOME<br/>FOR THE YEAR</b> | <u><b>422,670</b></u> | <u><b>375,810</b></u> |

The Notes on pages 12 to 22 form part of these Financial Statements

**EDITIONS PUBLISHING LIMITED (REGISTERED NUMBER: SC198718)****BALANCE SHEET  
31 DECEMBER 2020**

|  | Notes | 2020<br>£               | 2019<br>£             |
|--|-------|-------------------------|-----------------------|
| <b>FIXED ASSETS</b>                          |       |                         |                       |
| Tangible assets                              | 9     | 117,223                 | 191,109               |
| <b>CURRENT ASSETS</b>                        |       |                         |                       |
| Debtors                                      | 10    | 1,697,920               | 1,317,198             |
| Contract assets                              | 3     | 381,510                 | 353,727               |
| Cash at bank                                 |       | <u>481,589</u>          | <u>129,054</u>        |
|  |       | <b>2,561,019</b>        | <b>1,799,979</b>      |
| <b>CREDITORS</b>                             |       |                         |                       |
| Amounts falling due within one year          | 11    | (1,276,345)             | (1,065,482)           |
| <b>CONTRACT LIABILITIES</b>                  |       |                         |                       |
| Amounts falling due within one year          | 3     | <u>(154,839)</u>        | <u>(120,410)</u>      |
| <b>NET CURRENT ASSETS</b>                    |       | <u><b>1,129,835</b></u> | <u><b>614,087</b></u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <b>1,247,058</b>        | <b>805,196</b>        |
| <b>CREDITORS</b>                             |       |                         |                       |
| Amounts falling due after more than one year | 12    | -                       | (24,308)              |
| <b>PROVISIONS FOR LIABILITIES</b>            | 13    | <u>(85,000)</u>         | <u>(41,500)</u>       |
| <b>NET ASSETS</b>                            |       | <u><b>1,162,058</b></u> | <u><b>739,388</b></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                         |                       |
| Called up share capital                      | 14    | 1,000                   | 1,000                 |
| Retained earnings                            | 15    | <u>1,161,058</u>        | <u>738,388</u>        |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u><b>1,162,058</b></u> | <u><b>739,388</b></u> |

The Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Financial Statements were approved by the Board of Directors and authorised for issue on 10 August 2021 and were signed on its behalf by:

DocuSigned by:

Tim Burgham

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Mr T A Burgham - Director

**EDITIONS PUBLISHING LIMITED**

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

|                                    | <b>Called up<br/>share<br/>capital<br/>£</b> | <b>Retained<br/>earnings<br/>£</b> | <b>Total<br/>equity<br/>£</b> |
|------------------------------------|--|------------------------------------|-------------------------------|
| <b>Balance at 1 January 2019</b>   | 1,000  | 362,578                            | 363,578                       |
| <b>Changes in equity</b>           |  |                                    |                               |
| Total comprehensive income         | -  | 375,810                            | 375,810                       |
| <b>Balance at 31 December 2019</b> | <u>1,000</u>                                 | <u>738,388</u>                     | <u>739,388</u>                |
| <b>Changes in equity</b>           |  |                                    |                               |
| Total comprehensive income         | -  | 422,670                            | 422,670                       |
| <b>Balance at 31 December 2020</b> | <u>1,000</u>                                 | <u>1,161,058</u>                   | <u>1,162,058</u>              |

The Notes on pages 12 to 22 form part of these Financial Statements

## **EDITIONS PUBLISHING 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 Editions Publishing Limited (the "Company") for the year ended 31 December 2020 were authorised for issue on 10 August 2021 and the Balance Sheet was signed on the Board's behalf by Mr T A Burgham. Editions Publishing Limited is a private limited Company, incorporated and domiciled in Scotland. The registered office is located at 50 Lothian Road, Edinburgh, Midlothian EH3 9WJ.

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 pound (£) except when otherwise indicated.

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 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 requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- 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; and
  - paragraph 118(e) of IAS 38 Intangible Assets;
- 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) of IAS 36 Impairments of Assets.

## EDITIONS PUBLISHING LIMITED

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

#### 2. ACCOUNTING POLICIES - continued

##### **Significant accounting judgements and estimates**

The key judgements and 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 amount 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.

##### **Estimation uncertainty**

###### *Turnover recognition*

Revenue from the delivery of client projects is recognised by reference to the stage of completion. Stage of completion is estimated using an appropriate measure according to the nature of the contract such as costs incurred relative to total anticipated costs. Where the financial outcome of a project cannot be reliably measured, revenue is only recognised to the extent that the expenses recognised are recoverable.

###### *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 used 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 to 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.

##### **Summary of significant accounting policies**

##### **Revenue from contracts with customers**

The Company provides integrated other publishing activities. The Company performs a range of services under customer contracts with project durations of typically less than one year (Short-term customer projects). The goods and services provided as part of this offering are sold in separately identified contracts with customers.

Under IFRS 15, revenue is recognised based on delivery of performance obligations and an assessment of when a customer obtains control of the goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires a number of key judgements. In addition, the Company also exercises a number of judgements in recognising related Balance Sheet items in the period (such as trade receivables, contract assets and contract liabilities).

For all contracts, the Company determines if the arrangement with a customer creates enforceable rights and obligations. This assessment results in some Master Service Agreements (MSAs) not meeting the definition of a contract under IFRS 15 on their own. As such, the individual project briefs/purchase orders linked to the MSAs are treated as individual contracts.

For contracts with multiple components to be delivered such as short-term customer projects, management applies judgement to consider whether those promised goods and services are:

- (i) distinct - to be accounted for as separate performance obligations;
- (ii) not distinct - to be combined with other promised goods or services until a bundle is identified that is distinct; or
- (iii) part of a series of distinct goods and services that are substantially the same and have the same pattern of transfer to the customer.

**EDITIONS PUBLISHING LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****2. ACCOUNTING POLICIES - continued****Revenue from contracts with customers - continued**

At contract inception the total transaction price is estimated, being the amount to which the Company expects to be entitled and has rights to under the present contract. Once the total transaction price is determined, the Company allocates this to the identified performance obligations in proportion to their relative standalone selling prices and recognises revenue when (or as) those performance obligations are satisfied.

For each performance obligation, the Company determines if revenue will be recognised over time or at a point in time. For each performance obligation to be recognised over time, the Company applies a revenue recognition method that faithfully depicts the Company's performance in transferring control of the goods or services to the customer.

**Tangible fixed assets**

Tangible fixed assets stated at cost less accumulated depreciation and accumulated impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

|                     |   |                                       |
|---------------------|---|---------------------------------------|
| Leasehold property  | - | over the period of the property lease |
| Plant and machinery | - | 4 to 5 years                          |

The depreciation of the right-of-use assets is detailed in Leases policy note. The carrying values of tangible fixed assets 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 tangible fixed assets 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.

**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 contract assets, trade and 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 losses associated with its financial assets. For contract assets and trade 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.



## **EDITIONS PUBLISHING LIMITED**

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

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

##### **Financial instruments - continued**

###### *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 Company's financial liabilities include borrowings and 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.

##### **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.

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.

##### **Employee benefit costs**

The Company operates a defined contribution scheme. Contributions payable to the Company's pension scheme are charged to the Income Statement in the period to which they relate.

##### **Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

## EDITIONS PUBLISHING LIMITED

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

#### 2. ACCOUNTING POLICIES - continued

##### Leases

###### *The Company as a lessee*

The Company, as lessee, leases a commercial land and building. Rental contracts are typically made for fixed periods of 1 to 5 years but may have extension options as described. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

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 (ROU 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 ROU asset 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 ROU asset is subsequently depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. The ROU 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 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.

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.

**EDITIONS PUBLISHING LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****2. ACCOUNTING POLICIES - continued****Leases - continued**

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.

**3. TURNOVER****Revenue from contracts with customers**

The turnover and profit before tax are attributable to the one principal activity of the Company.

An analysis of turnover by geographical market is given below:

|                | 2020                    | 2019                    |
|----------------|-------------------------|-------------------------|
|                | £                       | £                       |
| United Kingdom | 2,023,968               | 3,507,064               |
| Overseas       | <u>1,017,829</u>        | <u>780,576</u>          |
|                | <u><u>3,041,797</u></u> | <u><u>4,287,640</u></u> |

**Contract balances**

|                      | 2020                  | 2019                  |
|----------------------|-----------------------|-----------------------|
|                      | £                     | £                     |
| Contract assets      |                       |                       |
| Current              |                       |                       |
| Contract assets      | <u><u>381,510</u></u> | <u><u>353,727</u></u> |
| Contract liabilities |                       |                       |
| Current              |                       |                       |
| Contract liabilities | <u><u>154,839</u></u> | <u><u>120,410</u></u> |

Current contract liabilities in 2019 were recognised as revenue in 2020.

**EDITIONS PUBLISHING LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****4. EMPLOYEES AND DIRECTORS**

The average number of staff employed by the Company during the financial year is 33 (2019 46). The employee benefit expense during the financial year amounted to:

|                       | 2020                    | 2019                    |
|-----------------------|-------------------------|-------------------------|
|                       | £                       | £                       |
| Wages and salaries    | 1,443,634               | 2,044,156               |
| Social security costs | 146,203                 | 214,464                 |
| Pension costs         | <u>71,781</u>           | <u>92,169</u>           |
|                       | <u><u>1,661,618</u></u> | <u><u>2,350,789</u></u> |

During the year, the Company received furlough income totalling £48,350 from the Government in respect of the COVID-19 pandemic. This has been shown as other operating income in the Income Statement.

The total emoluments of the Directors of the Company (including those paid through other Group Companies) were as follows:

|                                       | 2020                  | 2019                  |
|---------------------------------------|-----------------------|-----------------------|
|                                       | £                     | £                     |
| Remuneration receivable               | <u>627,148</u>        | <u>710,869</u>        |
| Remuneration of highest paid Director | <u><u>366,154</u></u> | <u><u>416,589</u></u> |

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 the emoluments of the Directors amongst subsidiary entities in relation to their qualifying services provided.

**5. EXCEPTIONAL ITEMS**

|                                 | 2020                   | 2019                   |
|---------------------------------|------------------------|------------------------|
|                                 | £                      | £                      |
| Exceptional restructuring costs | <u><u>(34,343)</u></u> | <u><u>(75,420)</u></u> |

In 2020 the Company incurred £34,343 to reduce the cost base and deliver efficiency improvements. This has been paid in full in 2020.

In 2019 the Company incurred £75,420 in respect of a significant organisational restructuring project to reduce the cost base.

**EDITIONS PUBLISHING LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****6. INTEREST PAYABLE AND SIMILAR EXPENSES**

|                                | <b>2020</b>         | <b>2019</b>          |
|--------------------------------|---------------------|----------------------|
|                                | <b>£</b>            | <b>£</b>             |
| Interest on lease liabilities  | 4,035               | 7,356                |
| Foreign currency exchange loss | <u>5,666</u>        | <u>35,280</u>        |
|                                | <u><b>9,701</b></u> | <u><b>42,636</b></u> |

**7. PROFIT BEFORE TAXATION**

The profit before taxation is stated after charging:

|  | <b>2020</b>  | <b>2019</b>  |
|--|--------------|--------------|
|  | <b>£</b>     | <b>£</b>     |
| Depreciation of ROU assets under IFRS 16 | 43,566       | 43,566       |
| Depreciation of owned fixed assets       | 58,820       | 54,135       |
| Auditors' remuneration                   | <u>6,200</u> | <u>6,200</u> |

**8. TAXATION****Analysis of tax expense**

|  | <b>2020</b>            | <b>2019</b>          |
|--|------------------------|----------------------|
|  | <b>£</b>               | <b>£</b>             |
| Current tax:                                   |                        |                      |
| Current tax                                    | 125,000                | 93,000               |
| Adjustment in respect of prior years           | <u>1,000</u>           | <u>(1,528)</u>       |
| Total current tax                              | <u><b>126,000</b></u>  | <u><b>91,472</b></u> |
| Deferred tax:                                  |                        |                      |
| Origination and reversal of timing differences | (25,000)               | (3,000)              |
| Adjustments in respect of prior periods        | <u>(2,000)</u>         | <u>3,000</u>         |
| Total deferred tax                             | <u><b>(27,000)</b></u> | <u><b>-</b></u>      |
| Total tax expense in Income Statement          | <u><b>99,000</b></u>   | <u><b>91,472</b></u> |

**EDITIONS PUBLISHING LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****8. TAXATION - continued****Factors affecting the tax expense**

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

|  | 2020<br>£      | 2019<br>£      |
|--|----------------|----------------|
| Profit before income tax   | <u>521,670</u> | <u>467,282</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 19%<br>(2019 19%) | 99,117         | 88,784         |
| Effects of:  |                |                |
| Expenses not deductible for tax purposes   | 556            | 979            |
| Other movements  | 327            | 237            |
| Adjustments in respect of prior years  | <u>(1,000)</u> | <u>1,472</u>   |
| Tax expense  | <u>99,000</u>  | <u>91,472</u>  |

**9. TANGIBLE FIXED ASSETS**

|                        | Short<br>leasehold<br>£ | ROU assets<br>£ | Plant and<br>machinery<br>£ | Totals<br>£     |
|------------------------|-------------------------|-----------------|-----------------------------|-----------------|
| <b>COST</b>            |                         |                 |                             |                 |
| At 1 January 2020      | 89,429                  | 152,480         | 421,521                     | 663,430         |
| Additions              | -                       | -               | 28,539                      | 28,539          |
| Disposals              | <u>-</u>                | <u>-</u>        | <u>(70,725)</u>             | <u>(70,725)</u> |
| At 31 December 2020    | <u>89,429</u>           | <u>152,480</u>  | <u>379,335</u>              | <u>621,244</u>  |
| <b>DEPRECIATION</b>    |                         |                 |                             |                 |
| At 1 January 2020      | 89,429                  | 87,132          | 295,760                     | 472,321         |
| Charge for year        | -                       | 43,566          | 58,820                      | 102,386         |
| Eliminated on disposal | <u>-</u>                | <u>-</u>        | <u>(70,686)</u>             | <u>(70,686)</u> |
| At 31 December 2020    | <u>89,429</u>           | <u>130,698</u>  | <u>283,894</u>              | <u>504,021</u>  |
| <b>NET BOOK VALUE</b>  |                         |                 |                             |                 |
| At 31 December 2020    | <u>-</u>                | <u>21,782</u>   | <u>95,441</u>               | <u>117,223</u>  |
| At 31 December 2019    | <u>-</u>                | <u>65,348</u>   | <u>125,761</u>              | <u>191,109</u>  |

The ROU asset relates to a lease of a commercial land and building.

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

**EDITIONS PUBLISHING LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                     | <b>2020</b>             | <b>2019</b>             |
|-------------------------------------|-------------------------|-------------------------|
|                                     | <b>£</b>                | <b>£</b>                |
| Trade debtors                       | 191,687                 | 173,766                 |
| Deferred tax asset                  | 41,000                  | 14,000                  |
| Amounts owed by parent undertakings | -                       | 50,042                  |
| Amounts owed by group undertakings  | 1,436,664               | 1,046,835               |
| Prepayments                         | <u>28,569</u>           | <u>32,555</u>           |
|                                     | <u><b>1,697,920</b></u> | <u><b>1,317,198</b></u> |

## Deferred tax asset

|                                     | <b>2020</b>          | <b>2019</b>          |
|-------------------------------------|----------------------|----------------------|
|                                     | <b>£</b>             | <b>£</b>             |
| Accelerated capital allowances      | 14,000               | 7,000                |
| Other short-term timing differences | 11,000               | -                    |
| Provision for dilapidation          | <u>16,000</u>        | <u>7,000</u>         |
|                                     | <u><b>41,000</b></u> | <u><b>14,000</b></u> |

Trade debtors are shown net of lifetime expected loss provisions. Amounts owed by parent and other group undertakings are interest free and are repayable on demand. Management has determined that any expected credit losses on these intercompany loans are immaterial.

The realisation of the current year deferred tax asset is dependent upon the anticipated continuing profitability of the Company. The deferred tax asset is recognised as the Directors foresee future profits adequate to assume recovery. The provision for deferred tax at 31 December 2020 has been made at 19% which reflects the tax rate expected to be in force at the time of reversal of the timing differences.

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|  | <b>2020</b>             | <b>2019</b>             |
|--|-------------------------|-------------------------|
|  | <b>£</b>                | <b>£</b>                |
| Trade creditors                          | 69,509                  | 66,342                  |
| Amounts owed to other group undertakings | 54,198                  | 71,901                  |
| Amounts owed to parent undertakings      | 794,426                 | 583,020                 |
| Current tax                              | 126,000                 | 93,000                  |
| Social security and other taxes          | 80,322                  | 60,050                  |
| Accruals                                 | 127,582                 | 145,204                 |
| Lease liabilities                        | <u>24,308</u>           | <u>45,965</u>           |
|  | <u><b>1,276,345</b></u> | <u><b>1,065,482</b></u> |

The Company's total lease liabilities at 31 December 2020 amounted to £24,308 (2019 £70,273) and pertains to a lease of a commercial building. 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 £50,000 (2019 £50,000).

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                   | <b>2020</b> | <b>2019</b>   |
|-------------------|-------------|---------------|
|                   | <b>£</b>    | <b>£</b>      |
| Lease liabilities | <u>-</u>    | <u>24,308</u> |

**EDITIONS PUBLISHING LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****13. PROVISIONS FOR LIABILITIES**

|                            | 2020          | 2019          |
|----------------------------|---------------|---------------|
|                            | £             | £             |
| Provision for dilapidation | <u>85,000</u> | <u>41,500</u> |

The above represent the estimated costs required to reinstate certain premises to a state as required under the lease agreements where a liability is expected.

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

| Number: | Class:   | Nominal value: | 2020         | 2019         |
|---------|----------|----------------|--------------|--------------|
|         |          |                | £            | £            |
| 1,000   | Ordinary | £1.00          | <u>1,000</u> | <u>1,000</u> |

**15. RESERVES**

|                     | Retained earnings |
|---------------------|-------------------|
|                     | £                 |
| At 1 January 2020   | 738,388           |
| Profit for the year | <u>422,670</u>    |
| At 31 December 2020 | <u>1,161,058</u>  |

**16. 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.

**17. IMMEDIATE AND ULTIMATE PARENT COMPANY**

The Company's immediate parent Company is Communisis UK Limited. Communisis UK Limited is a wholly owned and direct subsidiary of 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 are available from the registered office at Communisis House, Manston Lane, Leeds LS15 8AH.