

COMMUNISIS DATA INTELLIGENCE LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2013

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COMMUNISIS DATA INTELLIGENCE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

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COMMUNISIS DATA INTELLIGENCE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr N G Howes
Mr A M Blundell
Mr D Rushton

Company secretary

Mrs S L Caddy

Registered office

Wakefield Road
Leeds
West Yorkshire
England
LS10 1DU

Auditor

Ernst & Young LLP
Statutory Auditor
Leeds

COMMUNISIS DATA INTELLIGENCE LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2013

The directors present their Strategic Report for the year ended 31 December 2013.

RESULTS

The success of 2013 led to an improvement on the prior year results for Communisis Data Intelligence Limited (CDI). Turnover increased to £6,712k (2012 £6,221k) and profit after tax of £576k (2012 £299k) was delivered. This increase was partly due to the award of a new 4 year database contract with an existing key client alongside a mix of new client sales in databases and analytics. Both factors mitigated the effect of the reducing sales volumes in data services to existing clients.

The product offering from CDI has broadened during 2013 to include database development and a broader analytical and consultancy capability. This has allowed the Company to increase its range of services and open up new opportunities with clients it would previously have not considered.

STRATEGY AND IMPLEMENTATION

CDI is a subsidiary of Communisis plc. The principal activity of the Company during the year was the provision of data services. CDI provides a number of services which include (but are not limited to) data segmentation, cleansing, profiling and matching, analytics, consultancy and database design and development. The Company is able to provide all or part of its service offerings to any of its existing or new clients.

To assist in delivering further growth in 2014 the Company is aiming to be less reliant on data services by focusing on its consulting, analytics and database offerings. In addition the Company is looking to develop closer integration with other business divisions within Communisis group.

KEY PERFORMANCE INDICATORS

| | 2013 | 2012 |
|------------------------------|-------------|-------------|
| Profit after taxation (£000) | 576 | 299 |
| Gross Margin (%) | 63 | 54 |
| Operating Margin (%) | 10 | 7 |

COMMUNISIS DATA INTELLIGENCE LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2013

RISKS AND UNCERTAINTIES

The more significant risks and uncertainties faced by the Company which could cause the Company's actual results to vary materially from historical and expected results are set out below.

| Risk Area | Commentary | Mitigating Actions and Management |
|---|--|--|
| The Company must be able to respond to technological change | <p>There is a risk that the systems and equipment utilised by the Company could be superseded earlier than anticipated by management and therefore, impact market demand for the Company's products and services.</p> <p>This is also linked to the need to ensure that employees have the correct skill set to deliver the Company strategy.</p> | <p>Continued investment in technology and new services maintains and enhances the Company's competitive position.</p> <p>Specific teams have been put together within the business to lead Change and Innovation.</p> <p>The Company is committed to developing or procuring new types of technology in order to be able to provide the latest services to clients and therefore maintain its competitive position.</p> |
| Changes in the availability of data | <p>Reliance on third parties for the provision of core data used in analytics may be affected by changes in the market place and the availability of the data. This may also be affected in the future by changes in data protection legislation.</p> | <p>The Company has strong relationships with its supply chain and formal contracts are in place.</p> <p>Closely monitoring data protection changes for all EU legislation and any impact this may have.</p> |
| Safeguarding of data | <p>The Company processes personal and sensitive data on behalf of clients as part of its core services.</p> <p>The risks are that: A failure to maintain a secure and fully functional IT infrastructure could result in an inability to meet contractual service obligations; and The confidentiality, integrity and availability of information processed by the Company could be compromised by human error, systems failure, equipment malfunction or deliberate unauthorised action, any of which could result in reputational damage and financial loss.</p> | <p>Continued investment in IT infrastructure, security and monitoring, guards against the inappropriate use of client data and maintains and enhances the effectiveness of controls.</p> <p>Established information and security standards are subject to regular third-party audits.</p> <p>Processes to deal with Cloud Computing assessment and risk management have been implemented.</p> <p>Core areas of the Company are subject to Certification including ISO/IEC 27001.</p> |

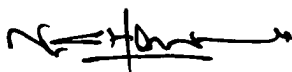
COMMUNISIS DATA INTELLIGENCE LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2013

| Risk Area | Commentary | Mitigating Actions and Management |
|--|---|--|
| Deterioration in the economic environment may decrease profitability | <p>The Company is a provider of database and data processing services to businesses which in turn supply goods and services to consumers.</p> <p>There is a risk that macro-economic issues may detrimentally affect consumer expenditure, which could impact the trading performance of the Company's clients and reduce their discretionary market spend with the Company. This could potentially result in lower sales and profitability for the Company.</p> | <p>Market trends are monitored and factored into the Company's business planning, budgeting and management processes.</p> <p>Volume erosion protection is included in contract terms where possible.</p> |
| Existing client concentration may mean that the loss of a major client could materially decrease sales | <p>A substantial percentage of the Company's revenues are derived from a relatively small number of clients and therefore the loss of one or more of these clients could have a material impact on the Company's sales. This could result in a material decrease in profitability whilst new contracts are sought and excess capacity reduced.</p> <p>In the year ended 31 December 2013 the top three clients of the Company accounted for approximately 62% (2012 67%) of turnover.</p> | <p>A strategic account management programme operates to preserve client relationships, monitor compliance with service level agreements and expand the services offered to key clients.</p> <p>Business development activities continue to promote the Company's services in a broad range of market sectors and into international markets, reducing the historical reliance on the financial services sector.</p> <p>Long-term client relationships are developed.</p> |

Signed by order of the directors



MR N G HOWES
Director

Approved by the directors on 20 June 2014

COMMUNISIS DATA INTELLIGENCE LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2013

The directors present their report and the financial statements of the company for the year ended 31 December 2013.

DIVIDENDS

There were no dividends paid during the year (2012 £nil).

FUTURE DEVELOPMENTS

The Company will trade on the same basis for the foreseeable future.

DIRECTORS

The directors who served the company during the year were as follows:

Mr N G Howes

Mr A M Blundell

Mr D Rushton

(Appointed 31 January 2013)

Mr J Wells

(Resigned 9 May 2013)

D Connery was appointed as Company Secretary on 3 September 2013 and resigned as Company Secretary on 12 May 2014.

DIRECTORS' INDEMNITY INSURANCE

Communis 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 ultimate parent company.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the directors are required to:

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

COMMUNISIS DATA INTELLIGENCE LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2013

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.

STRATEGIC REPORT

The Companies Act 2006 requires us to present a fair review of the business during the year to 31 December 2013 and of the position of the Company at the end of the financial year along with a description of the principal risks and uncertainties faced. The Strategic Report can be found on page 2 to 4.

AUDITOR

Ernst & Young LLP have been re-appointed as auditor for the ensuing year in accordance with section 485 of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
Wakefield Road
Leeds
West Yorkshire
England
LS10 1DU

Signed by order of the directors



Mrs S L Caddy
Company Secretary

Approved by the directors on 20 June 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNISIS DATA INTELLIGENCE LIMITED

We have audited the Financial Statements of Communisis Data Intelligence Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors Responsibilities Statement on pages 5 and 6, the directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the Financial Statements. In addition we read all the financial and non-financial information in the Financial Statements to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 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 Companies Act 2006

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNISIS
DATA INTELLIGENCE LIMITED** *(continued)*

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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.

Ernst & Young LLP

Christabel Cowling (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor

Leeds

26 June 2014

COMMUNISIS DATA INTELLIGENCE LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2013

| | Note | 2013 £ | 2012 £ |
|--|----------|-----------------------|-----------------------|
| TURNOVER | 2 | 6,712,013 | 6,220,571 |
| Cost of sales | | <u>(2,471,746)</u> | <u>(2,842,188)</u> |
| GROSS PROFIT | | 4,240,267 | 3,378,383 |
| Administrative expenses | | <u>(3,546,268)</u> | <u>(2,963,497)</u> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 693,999 | 414,886 |
| Tax on profit on ordinary activities | 6 | <u>(117,809)</u> | <u>(116,000)</u> |
| PROFIT FOR THE FINANCIAL YEAR | | <u>576,190</u> | <u>298,886</u> |

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 11 to 18 form part of these financial statements.

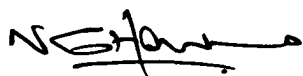
COMMUNISIS DATA INTELLIGENCE LIMITED

BALANCE SHEET

31 DECEMBER 2013

| | Note | 2013 £ | 2012 £ |
|---|------|------------------|------------------|
| FIXED ASSETS | | | |
| Intangible assets | 7 | 268,958 | 383,072 |
| Tangible assets | 8 | 551,225 | 479,719 |
| | | <u>820,183</u> | <u>862,791</u> |
| CURRENT ASSETS | | | |
| Debtors | 9 | 1,705,889 | 1,082,304 |
| Cash at bank | | 3,495,412 | 4,584,389 |
| | | <u>5,201,301</u> | <u>5,666,693</u> |
| CREDITORS: Amounts falling due within one year | 10 | (1,223,016) | (2,318,206) |
| NET CURRENT ASSETS | | <u>3,978,285</u> | <u>3,348,487</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>4,798,468</u> | <u>4,211,278</u> |
| PROVISIONS FOR LIABILITIES | | | |
| Deferred taxation | 11 | (15,000) | (4,000) |
| | | <u>4,783,468</u> | <u>4,207,278</u> |
| CAPITAL AND RESERVES | | | |
| Called-up equity share capital | 14 | 231 | 231 |
| Share premium account | 15 | 562,324 | 562,324 |
| Profit and loss account | 16 | 4,220,913 | 3,644,723 |
| SHAREHOLDERS' FUNDS | 17 | <u>4,783,468</u> | <u>4,207,278</u> |

These accounts were approved by the directors and authorised for issue on 20 June 2014 and are signed on their behalf by:



MR N G HOWES
Director

Company Registration Number: 05142229

The notes on pages 11 to 18 form part of these financial statements.

COMMUNISIS DATA INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|---------------------|---------------------------|
| Fixtures & Fittings | - 25% - 33% straight line |
| Equipment | - 25% - 33% straight line |

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Deferred taxation

Deferred tax is recognised as a liability or asset in respect of all timing differences that have originated but not reversed if the transactions or events that give rise to an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. TURNOVER

The turnover and operating profit for the year was derived from the company's principal continuing activity which was carried out wholly in the UK.

3. OPERATING PROFIT

Operating profit is stated after charging:

| | 2013 | 2012 |
|--|-------------|-------------|
| | £ | £ |
| Amortisation of intangible assets | 114,114 | 114,216 |
| Depreciation of owned fixed assets | 130,766 | 100,355 |
| Operating lease costs: | | |
| - Plant and equipment | 41,786 | 52,179 |
| - Land and Buildings | 38,260 | 34,040 |
| Auditor's remuneration | 5,000 | 10,000 |
| | <u>2013</u> | <u>2012</u> |
| | £ | £ |
| Auditor's remuneration - audit of the financial statements | 5,000 | 10,000 |

COMMUNISIS DATA INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

| | 2013 | 2012 |
|--------------------------------|-----------|-----------|
| | No | No |
| Number of production staff | 17 | 15 |
| Number of administrative staff | 27 | 24 |
| | <u>44</u> | <u>39</u> |

The aggregate payroll costs of the above were:

| | 2013 | 2012 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,287,668 | 1,804,329 |
| Social security costs | 263,628 | 209,964 |
| Other pension costs | 96,877 | 70,489 |
| | <u>2,648,173</u> | <u>2,084,782</u> |

5. DIRECTORS' REMUNERATION

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

| | 2013 | 2012 |
|-------------------------|------------------|------------------|
| | £ | £ |
| Remuneration receivable | <u>1,592,009</u> | <u>1,073,953</u> |

Remuneration of highest paid director:

| | 2013 | 2012 |
|--------------------|----------------|----------------|
| | £ | £ |
| Total remuneration | <u>625,396</u> | <u>414,153</u> |

Three of the directors exercised share options during the year ended 31 December 2013 (2012 one). None of the directors had benefits accruing under the Group's personal pension schemes during the period ended 31 December 2013 (2012 none).

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

COMMUNISIS DATA INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

| | 2013 £ | 2012 £ |
|--|-----------|-----------|
| Current tax: | | |
| In respect of the year: | | |
| UK Corporation tax based on the results for the year at 23.25% (2012 24.50%) | 106,809 | 98,000 |
| Total current tax | 106,809 | 98,000 |
| Deferred tax: | | |
| Origination and reversal of timing differences | 11,000 | 18,000 |
| Tax on profit on ordinary activities | 117,809 | 116,000 |

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 23.25% (2012 24.50%).

| | 2013 £ | 2012 £ |
|--|-----------|-----------|
| Profit on ordinary activities before taxation | 693,999 | 414,886 |
| Profit on ordinary activities by rate of tax | 161,355 | 101,647 |
| Expenses not deductible for tax purposes | 30,205 | 32,247 |
| Capital allowances for period in excess of depreciation | (11,360) | (5,744) |
| Adjustments to tax charge in respect of previous periods | (73,391) | (13,000) |
| Eighth item to increase/ (decrease) tax liability | - | (17,150) |
| Total current tax (note 6(a)) | 106,809 | 98,000 |

COMMUNISIS DATA INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

7. INTANGIBLE FIXED ASSETS

| | Goodwill £ |
|--|------------------|
| COST | |
| At 1 January 2013 and 31 December 2013 | <u>1,132,400</u> |
| AMORTISATION | |
| At 1 January 2013 | 749,328 |
| Charge for the year | <u>114,114</u> |
| At 31 December 2013 | <u>863,442</u> |
| NET BOOK VALUE | |
| At 31 December 2013 | <u>268,958</u> |
| At 31 December 2012 | <u>383,072</u> |

The company owns 100% of the issued ordinary share capital of the companies listed below:

| | 31 Dec 13 £ | 31 Dec 12 £ |
|---|----------------|----------------|
| Aggregate capital and reserves | | |
| Absolute Data Solutions Limited (dormant) | 270,558 | 270,558 |
| Intuistic Limited (dormant) | 161,823 | 161,823 |
| B2E Consulting Limited (dormant) | 35,333 | 35,333 |

8. TANGIBLE FIXED ASSETS

| | Fixtures & Fittings £ | Equipment £ | Total £ |
|-----------------------|-----------------------------|------------------|------------------|
| COST | | | |
| At 1 January 2013 | 26,090 | 806,835 | 832,925 |
| Additions | - | 202,272 | 202,272 |
| Disposals | (26,090) | - | (26,090) |
| At 31 December 2013 | <u>-</u> | <u>1,009,107</u> | <u>1,009,107</u> |
| DEPRECIATION | | | |
| At 1 January 2013 | 26,090 | 327,116 | 353,206 |
| Charge for the year | - | 130,766 | 130,766 |
| On disposals | (26,090) | - | (26,090) |
| At 31 December 2013 | <u>-</u> | <u>457,882</u> | <u>457,882</u> |
| NET BOOK VALUE | | | |
| At 31 December 2013 | <u>-</u> | <u>551,225</u> | <u>551,225</u> |
| At 31 December 2012 | <u>-</u> | <u>479,719</u> | <u>479,719</u> |

There are no assets subject to finance leases and hire purchase leases included in the above figures.

COMMUNISIS DATA INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

9. DEBTORS

| | 2013 | 2012 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Trade debtors | 1,032,570 | 793,910 |
| Amounts owed by group undertakings | 183,069 | 66,349 |
| Other debtors | 490,250 | 222,045 |
| | <u>1,705,889</u> | <u>1,082,304</u> |

10. CREDITORS: Amounts falling due within one year

| | 2013 | 2012 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 326,651 | 407,229 |
| Corporation tax | 180,200 | 111,000 |
| Other taxation and social security | 133,932 | 79,854 |
| Amounts due to group undertakings | 78,011 | 1,314,273 |
| Accruals and deferred income | 504,222 | 405,850 |
| | <u>1,223,016</u> | <u>2,318,206</u> |

11. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

| | 2013 | 2012 |
|--|---------------|--------------|
| | £ | £ |
| Provision brought forward | 4,000 | (14,000) |
| Profit and loss account movement arising during the year | 11,000 | 18,000 |
| Provision carried forward | <u>15,000</u> | <u>4,000</u> |

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

| | 2013 | 2012 |
|---|---------------|--------------|
| | £ | £ |
| Excess of taxation allowances over depreciation on fixed assets | (14,000) | (14,000) |
| Origination and reversal of timing differences | 25,000 | 15,000 |
| Adjustments in respect of prior periods | 2,000 | 2,000 |
| Adjustments in respect of prior periods – due to change in tax rate | 1,000 | 1,000 |
| | <u>15,000</u> | <u>4,000</u> |

COMMUNISIS DATA INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

12. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below.

| | 2013 | | 2012 | |
|--------------------------------|----------------------------|---------------------|----------------------------|---------------------|
| | Land and buildings £ | Other Items £ | Land and buildings £ | Other Items £ |
| Operating leases which expire: | | | | |
| Within 1 year | 9,660 | - | 19,000 | - |
| Within 2 to 5 years | - | 44,464 | - | 46,719 |
| | <u>9,660</u> | <u>44,464</u> | <u>19,000</u> | <u>46,719</u> |

13. RELATED PARTY TRANSACTIONS

The Company is exempt under the terms of FRS8 from disclosing related party transactions with entities that are wholly-owned subsidiaries of the Communisis plc Group or investees of the Communisis plc Group.

14. SHARE CAPITAL

Allotted, called up and fully paid:

| | 2013 | | 2012 | |
|----------------------------|------------|------------|------------|------------|
| | No | £ | No | £ |
| Ordinary shares of £1 each | <u>231</u> | <u>231</u> | <u>231</u> | <u>231</u> |

15. SHARE PREMIUM ACCOUNT

There was no movement on the share premium account during the financial year.

16. PROFIT AND LOSS ACCOUNT

| | 2013 £ | 2012 £ |
|-------------------------------|------------------|------------------|
| Balance brought forward | 3,644,723 | 3,345,837 |
| Profit for the financial year | 576,190 | 298,886 |
| Balance carried forward | <u>4,220,913</u> | <u>3,644,723</u> |

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2013 £ | 2012 £ |
|-------------------------------|------------------|------------------|
| Profit for the financial year | 576,190 | 298,886 |
| Opening shareholders' funds | <u>4,207,278</u> | <u>3,908,392</u> |
| Closing shareholders' funds | <u>4,783,468</u> | <u>4,207,278</u> |

COMMUNISIS DATA INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

18. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and controlling party is Communisis plc, a company registered in England which prepares Group accounts. The immediate parent company is Communisis UK Limited, also a company registered in England. The only group into which the results of the Company are consolidated is that headed by Communisis plc. Copies of the Group accounts of Communisis plc can be obtained by writing to:

The Secretary
Communisis plc
Wakefield Road
Leeds
LS10 1DU