

Registered number: 06025252

## HUNTSWORTH COMMUNICATIONS LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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## HUNTSWORTH COMMUNICATIONS LIMITED

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### COMPANY INFORMATION

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<b>Directors</b>	M Morrow N G Jones
<b>Registered number</b>	06025252
<b>Registered office</b>	8th Floor, Holborn Gate 26 Southampton Buildings London WC2A 1AN

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**HUNTSWORTH COMMUNICATIONS LIMITED**

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## HUNTSWORTH COMMUNICATIONS LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Introduction**

The Directors present their strategic report on the Company for the year ended 31 December 2020.

#### **Business review**

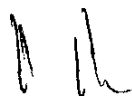
The Company is an intermediate holding company. The Company did not trade during the year and the Directors do not anticipate that the Company will trade in the foreseeable future.

On 1 May 2020, the Company's ultimate parent undertaking, Huntsworth plc, was acquired by Clayton, Dubilier & Rice Holdings, LLC. The Company is now a subsidiary of Hunter Holdco 3 Limited for which the key performance indicators have been identified as revenue and profit before tax growth.

#### **Principal risks and uncertainties**

The ultimate parent of the Company reviews the principal risks and uncertainties facing the Group and individual companies. The Company's key risks and uncertainties are identified as: economic downturn; political instability; currency risk; service offering fails to evolve to meet changing market needs; client dissatisfaction and loss of key clients; loss of key talent; poor profitability; information systems access and security; unethical business practices and legal and regulatory compliance.

This report was approved by the board on 21 September 2020 and signed on its behalf.



**M Morrow**  
Director

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**HUNTSWORTH COMMUNICATIONS LIMITED**

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

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The Directors present their report and the financial statements for the year ended 31 December 2020.

**Results and dividends**

The loss for the year, after taxation, amounted to £3,185,862 (2019 - loss £1,586,355).

**Directors**

The Directors who served during the year were:

M Morrow  
N G Jones


**Future developments**

The Directors expect that the company will continue with its existing operations for the foreseeable future.

**Post balance sheet events**

On 16 August 2021 Nenelite Limited, (a newly incorporated company and affiliate of Clayton, Dublier & Rice LLC) acquired the entire issued share capital of UDG Healthcare plc. Nenelite Limited is a wholly owned subsidiary of Hunter Holdco 3 Limited.

This report was approved by the board on 21 September 2020 and signed on its behalf.



**M Morrow**  
Director

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HUNTSWORTH COMMUNICATIONS LIMITED

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STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020

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	Note	2020 £	2019 £
Administrative expenses		-	1,367,789
<b>Operating profit</b>	4	-	1,367,789
Income from shares in group undertakings		-	45,788,155
Profit/(loss) on disposal of investments		-	(45,813,009)
Interest payable and expenses	6	(3,112,834)	(3,132,506)
<b>Loss before tax</b>		(3,112,834)	(1,789,571)
Tax on loss	7	(73,028)	203,216
<b>Loss for the financial year</b>		(3,185,862)	(1,586,355)

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 7 to 14 form part of these financial statements.

**HUNTSWORTH COMMUNICATIONS LIMITED**  
**REGISTERED NUMBER: 06025252**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	41,518,251	43,141,735
		<u>41,518,251</u>	<u>43,141,735</u>
Creditors: amounts falling due within one year	10	(44,213,893)	-
		<u>(44,213,893)</u>	<u>-</u>
<b>Net current (liabilities)/assets</b>		<b>(2,695,642)</b>	<b>43,141,735</b>
<b>Total assets less current liabilities</b>		<b>(2,695,642)</b>	<b>43,141,735</b>
Creditors: amounts falling due after more than one year	11	-	(42,651,515)
		<u>-</u>	<u>(42,651,515)</u>
		<b>(2,695,642)</b>	<b>490,220</b>
<b>Net assets excluding pension asset</b>		<b>(2,695,642)</b>	<b>490,220</b>
<b>Net (liabilities)/assets</b>		<b>(2,695,642)</b>	<b>490,220</b>

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HUNTSWORTH COMMUNICATIONS LIMITED  
REGISTERED NUMBER: 06025252

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BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2020

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	Note	2020 £	2019 £
<b>Capital and reserves</b>			
Called up share capital	12	3	3
Profit and loss account		(2,695,645)	490,217
		<u>(2,695,642)</u>	<u>490,220</u>

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 September 2020.



**M Morrow**  
Director

The notes on pages 7 to 14 form part of these financial statements.



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HUNTSWORTH COMMUNICATIONS LIMITED

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

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	3	2,076,572	2,076,575
Comprehensive income for the year			
Loss for the year	-	(1,586,355)	(1,586,355)
Total comprehensive income for the year	-	(1,586,355)	(1,586,355)
Total transactions with owners	-	-	-
At 1 January 2020	3	490,217	490,220
Comprehensive income for the year			
Loss for the year	-	(3,185,862)	(3,185,862)
Total comprehensive income for the year	-	(3,185,862)	(3,185,862)
Total transactions with owners	-	-	-
At 31 December 2020	3	(2,695,645)	(2,695,642)

The notes on pages 7 to 14 form part of these financial statements.

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## HUNTSWORTH COMMUNICATIONS LIMITED

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

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#### 1. General information

Huntsworth Communications Limited ('the Company') is a private limited company and is incorporated and domiciled in the UK. The address of its registered office is 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 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, 111 and 134-136 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 paragraph 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, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

##### 2.3 New and amended standards adopted by the Company

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2020 that have a material impact on the company's financial statements.

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## HUNTSWORTH COMMUNICATIONS LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.4 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Company. The standards, that are not yet effective, are expected to not have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

##### 2.5 Going concern

The Directors have considered whether the Company is a going concern and in light of the letter of support from the parent company, Hunter Holdco 3 Limited, the Directors have concluded that it is appropriate to prepare the accounts on the going concern basis.

The COVID-19 pandemic has not affected the treasury and banking arrangements and has had no effect on the going concern assessment.

##### 2.6 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

The carrying values of fixed asset investments are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

##### 2.7 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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## HUNTSWORTH COMMUNICATIONS LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### 2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

##### 2.10 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

##### 2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Provision for impairment is made when there is objective evidence that the Company will not be able to recover balances in full.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2020 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information.

Balances are written off when the possibility of recovery is assessed as being remote.

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## HUNTSWORTH COMMUNICATIONS LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.12 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgments and assumptions about the future, based on historical experience and other factors which are considered to be relevant. The resulting accounting estimate will, by definition, seldom equal the related actual results:

##### Carrying value of investments

The Company tests annually whether investments have suffered any impairment. The recoverable amounts of investments have been determined based on value in use calculations. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from each investment and a suitable discount rate in order to calculate present value.

#### 4. Operating profit

The operating (loss)/profit is stated after charging/(crediting):

	2020 £	2019 £
Exchange differences	-	(1,367,789)
	<u>-</u>	<u>-</u>

#### 5. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2019 - £NIL).

The Directors are not remunerated for services provided to this Company and are paid for by another group Company. It is not possible to accurately allocate remuneration between entities for qualifying services.

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**HUNTSWORTH COMMUNICATIONS LIMITED**

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

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**6. Interest payable and similar expenses**

	2020 £	2019 £
Loans from group undertakings	3,112,834	3,132,506
	<u>3,112,834</u>	<u>3,132,506</u>

**7. Taxation**

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on loss for the year	2,062	(203,216)
Adjustments in respect of previous periods	70,966	-
<b>Total current tax</b>	<u>73,028</u>	<u>(203,216)</u>

**Factors affecting tax (credit) / charge for the year**

The tax assessed for the year is lower than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>(3,112,834)</u>	<u>(1,789,571)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(591,438)	(340,018)
<b>Effects of:</b>		
Transfer pricing adjustment	-	132,080
Adjustments to tax charge in respect of prior periods	70,965	-
Expenses not deductible for tax purposes	593,501	8,704,472
Non-taxable income	-	(8,699,750)
<b>Total tax (credit) / charge for the year</b>	<u>73,028</u>	<u>(203,216)</u>

**Factors that may affect future tax charges**

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## HUNTSWORTH COMMUNICATIONS LIMITED

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

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#### 7. Taxation (continued)

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. However, had it been substantively enacted by the balance sheet date, the effect of the change would not materially impact the balance sheet.

#### 8. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2020	45,813,009
At 31 December 2020	45,813,009
<b>Impairment</b>	
At 1 January 2020	45,813,009
At 31 December 2020	45,813,009
<b>Net book value</b>	
At 31 December 2020	-
At 31 December 2019	-

#### 9. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	41,518,251	43,141,735
	<u>41,518,251</u>	<u>43,141,735</u>

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## HUNTSWORTH COMMUNICATIONS LIMITED

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

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**10. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Amounts owed to group undertakings	44,211,831	-
Corporation tax	2,062	-
	<u>44,213,893</u>	<u>-</u>

**11. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Amounts owed to group undertakings	-	42,651,515
	<u>-</u>	<u>42,651,515</u>

**12. Share capital**

	2020 £	2019 £
<b>Authorised</b>		
1,000 (2019 - 1,000) Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
3 (2019 - 3) Ordinary shares of £1.00 each	<u>3</u>	<u>3</u>

**13. Post balance sheet events**

On 16 August 2021 Nenelite Limited, (a newly incorporated company and affiliate of Clayton, Dublier & Rice LLC) acquired the entire issued share capital of UDG Healthcare plc. Nenelite Limited is a wholly owned subsidiary of Hunter Holdco 3 Limited.



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## HUNTSWORTH COMMUNICATIONS LIMITED

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

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#### 14. Controlling party

The Company's immediate parent undertaking is IG Communications Limited and its ultimate parent company is Huntsworth plc as at 31 December 2020.

On 1 May 2020, the Company's ultimate parent undertaking, Huntsworth plc, was acquired by Clayton, Dubilier & Rice Holdings, LLC. The ultimate parent undertaking was subsequently delisted and changed its name to Huntsworth limited.

Following the acquisition, the operating parent company in the Group is CD&R Artemis Holdco 1 Limited, a Jersey incorporated company, which in the opinion of the Company's Directors, is the ultimate controlling party, and is, amongst other things, where the strategic direction of the Group is set. It is noted that CD&R's investment was made through its investment funds, Clayton, Dubilier & Rice Fund X, L.P., Clayton, Dubilier & Rice Fund X-A, L.P. and CD&R Advisor Fund X, L.P. Hunter Holdco 3 Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements at 31 December 2020. Copies of Hunter Holdco 3 Limited's 2020 consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN.

#### 15. Subsidiary undertaking

##### Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Conscientia Communications Limited	8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN	Ordinary	100%