

Sage Treasury Company Limited
Annual report and financial statements
for the period from 5 December 2012 to 30
September 2013

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Sage Treasury Company Limited
Annual report and financial statements
for the period from 5 December 2012 to 30 September 2013
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Sage Treasury Company Limited

Strategic report for the period from 5 December 2012 to 30 September 2013

The directors present their strategic report on Sage Treasury Company Limited for the period from 5 December 2012 to 30 September 2013

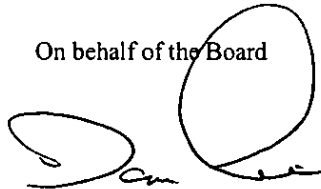
Review of the business

The results for the year are set out in the profit and loss account on page 6. No dividend has been paid during the period.

Principal risks and uncertainties

The directors believe there to be no risks and uncertainties facing the company.

On behalf of the Board

A handwritten signature in black ink, consisting of a stylized 'D' followed by 'M Fisher'.

D M Fisher

Director

26 February 2014

Sage Treasury Company Limited

Directors' report for the period from 5 December 2012 to 30 September 2013

The directors present their report and the audited financial statements of Sage Treasury Company Limited ("the Company") for the period from 5 December 2012 to 30 September 2013

Principal activity

The company was incorporated on 5 December 2012. The principal activity of the Company throughout the period has been that of a finance company.

Directors

The directors who served during the period and up to the date of signing the financial statements are set out below.

M J Robinson

D M Fisher

M J Robinson and D M Fisher were appointed on 5 December 2012.

Indemnity provisions

The ultimate parent company, The Sage Group plc, maintained liability insurance for its directors and officers during the financial year and up to the date of approval of these financial statements. The Sage Group plc has also provided an indemnity for its directors and the company secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of The Sage Group plc. The directors have received confirmation that The Sage Group plc intends to support the company for at least one year after the date on which these financial statements are signed.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 prepared 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 period. 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,

Sage Treasury Company Limited

Directors' report for the period from 5 December 2012 to 30 September 2013 (continued)

Statement of directors' responsibilities (continued)

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.

Disclosure of information to auditors

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

- (1) so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (2) the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the Board



D M Fisher

Director

26 February 2014

Sage Treasury Company Limited

Independent auditors' report to the members of Sage Treasury Company Limited

Our Opinion

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 30 September 2013 and of its loss for the period 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

This opinion is to be read in context of what we say below

What we have audited

The financial statements for the period from 5 December 2012 to 30 September 2013 which are prepared by Sage Treasury Company Limited, comprise

- the balance sheet and profit and loss account,
- statement of accounting policies, and
- the related notes

The financial reporting framework that has been applied in their preparation comprises applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (ISAs (UK & Ireland)). 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 Annual Report 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 other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements

Sage Treasury Company Limited

Independent auditors' report to the members of Sage Treasury Company Limited (continued)

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion

- we have not received all the information and explanations we require for our audit, or
- adequate accounting records have not been, 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

We have no exceptions to report arising from this responsibility

Director's remuneration

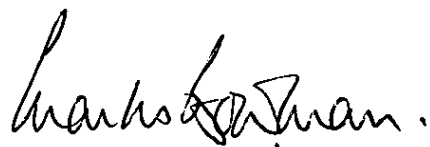
Under the Companies Act 2006 we are required to report if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement on pages 2 - 3, 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 and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing



Charles Bowman (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
26 February 2014

Sage Treasury Company Limited

Profit and loss account for the period from 5 December 2012 to 30 September 2013

	Note	£'000
Interest receivable and similar income	1	2,257
Interest payable and similar charges	2	(20,483)
Loss on ordinary activities before taxation	3	(18,226)
Tax on loss on ordinary activities	4	-
Loss for the financial period	10	(18,226)

All amounts relate to continuing operations

Recognised gains and losses

The Company has no recognised gains or losses, as defined in FRS 3 'Reporting Financial Performance', which are not included in the above profit and loss account

Historical cost profits and losses

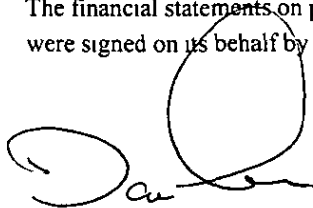
There is no material difference between the reported loss and the historical cost profits and losses for the period

Sage Treasury Company Limited

Balance sheet as at 30 September 2013

	Note	£'000
Fixed assets		
Investments	5	240,677
Debtors amounts falling due after more than one year	6	693,620
Current assets		
Cash at bank and in hand		46
Total assets		934,343
Creditors amounts falling due within one year	7	(5,965)
Net current liabilities		(5,919)
Total assets less current liabilities		928,378
Creditors amounts falling due after more than 1 year	8	(946,604)
Net liabilities		(18,226)
Capital and reserves		
Called up share capital	9	-
Profit and loss account	10	(18,226)
Total shareholders' deficit	11	(18,226)

The financial statements on pages 6 to 12 were approved by the board of directors on 26 February 2014 and were signed on its behalf by



D M Fisher
Director

Sage Treasury Company Limited

Statement of accounting policies

Accounting convention

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies applied consistently are set out below.

Cash flow statement

The Company is a wholly owned subsidiary of The Sage Group plc and is included in the consolidated financial statements of The Sage Group plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996) 'Cash flow statements'.

Investments

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

Consolidated financial statements

The Company is a wholly-owned subsidiary of The Sage Group plc and is included in the consolidated financial statements of The Sage Group plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006. The Sage Group plc, together with its subsidiaries constitutes the "Group".

Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction. All differences on exchange are taken to the profit and loss account.

Sage Treasury Company Limited

Notes to the financial statements for the period from 5 December 2012 to 30 September 2013

1 Interest receivable and similar income

	£'000
Interest receivable on cash and cash equivalents	17
Interest receivable on amounts owed by group undertakings	2,240
Total interest receivable	2,257

2 Interest payable and similar charges

	£'000
Interest payable on external borrowings	3,133
Foreign exchange loss	17,086
Loan amortisation costs	87
Interest payable on amounts owed to group undertakings	172
Bank charges	5
Total interest payable	20,483

3 Loss on ordinary activities before taxation

Auditors' remuneration is borne by the ultimate parent company, The Sage Group plc

The directors did not receive any emoluments during the period in respect of their services to the Company. No other persons were employed during the period.

4 Tax on loss on ordinary activities

(a) Analysis of charge in the period

There was no tax charge in the period.

Sage Treasury Company Limited

Notes to the financial statements for the period from 5 December 2012 to 30 September 2013 (continued)

4 Tax on loss on ordinary activities (continued)

(b) Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK 23.5%. The differences are explained below

	£'000
Loss on ordinary activities before taxation	(18,226)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23%	(4,283)
Effects of	
Group relief surrendered	4,283
Total current tax charge	-

The Company has not recognised any deferred tax at the balance sheet date

(c) Factors that may affect future tax charges

The main rate of Corporation Tax in the UK changed from 24% to 23% with effect from 1 April 2013 and will change to 21% from 1 April 2014. Accordingly the companies' results for this accounting period are taxed at an effective rate of 23.5% and should be taxed at 22% in the 2014 period.

In addition to the changes in rates of Corporation Tax disclosed above, a number of changes to the UK Corporation Tax system are proposed. A further reduction in the main rate has been substantively enacted to reduce the rate to 20% from 1 April 2015.

There are no other factors expected to materially affect future tax charges.

5 Investments

Cost	£'000
At 5 December 2012	-
Investment in subsidiary undertaking	240,677
At 30 September 2013	240,677

Sage Treasury Company Limited

Notes to the financial statements for the period from 5 December 2012 to 30 September 2013 (continued)

5 Investments (continued)

The Company has the following interests at 30 September 2013

Company	Country of incorporation	Holding	Nature of business
Subsidiaries:			
Sage EUR HedgoCo 1 Limited	England	Ordinary shares – 100%	Holding company
Sage USD HedgoCo 1 Limited	England	Ordinary shares – 100%	Holding company

The directors believe that the carrying value of the investments is supported by their underlying net assets

6 Debtors: amounts falling due after more than one year

	£'000
Amounts owed by group undertakings	693,620

7 Creditors: amounts falling due within one year

	£'000
Bank loans and overdrafts (note 8)	2,964
Accrued interest on borrowings	3,001
Total creditors: amounts falling due within one year	5,965

8 Creditors: amounts falling due after more than one year

	£'000
Bank loans	245,841
Amounts owed to group undertakings	700,763
Total creditors: amounts falling due after more than one year	946,604

Bank loans falling due after more than one year are unsecured and are repayable between 2018 and 2015, as follows

Bank loans	£'000
Between one and two years	-
Between two and five years	29,950
After five years	215,891
	245,841
On demand or within one year	2,964
	248,805

Interest on these loans is charged at rates ranging from 2.6% to 3.86% per annum

Sage Treasury Company Limited

Notes to the financial statements for the period from 5 December 2012 to 30 September 2013 (continued)

9 Called up share capital

	£
Allotted and fully paid	
1 ordinary shares of £1 issued during the period	1

10 Profit and loss account

	£'000
Loss for the financial period	(18,226)

11 Reconciliation of movements in shareholders' deficit

	£'000
Loss for the financial period	(18,226)
Opening shareholders' funds	-
Closing shareholders' deficit	(18,226)

12 Parent undertaking and controlling party

The Company's immediate and ultimate parent undertaking and controlling party is The Sage Group plc, a company registered in England. The Sage Group plc is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 30 September 2013. Copies of the group financial statements can be obtained from the registered office at North Park, Newcastle upon Tyne, NE13 9AA.

13 Related party transactions

As the Company is a wholly owned subsidiary of The Sage Group plc, the Company has taken advantage of the exemption pursuant to paragraph 3(c) of FRS 8 "Related party disclosures", not to include details of transactions with other companies which are subsidiaries of The Sage Group plc. The financial statements of The Sage Group plc are publicly available. There are no other related party transactions.