

Sage Global Services Limited
Annual report and financial statements
for the period from 24 March 2015 to 30
September 2015

Registered number: 9506951



Sage Global Services Limited

Annual report and financial statements

for the period from 24 March 2015 to 30 September 2015

Contents

	Page
Directors' report for the period from 24 March 2015 to 30 September 2015.....	1
Independent auditors' report to the members of Sage Global Services Limited	3
Profit and loss account for the period from 24 March 2015 to 30 September 2015	5
Balance sheet as at 30 September 2015.....	6
Statement of accounting policies.....	7
Notes to the financial statements for the period from 24 March 2015 to 30 September 2015.....	8

Sage Global Services Limited

Directors' report for the period from 24 March 2015 to 30 September 2015

The directors present their report and the audited financial statements of Sage Global Services Limited ("the Company") for the period from 24 March 2015 to 30 September 2015.

Principal activity

Sage Global Services Limited is a trading and investment entity fully owned by The Sage Group plc.

Directors

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

M J Robinson

S L Dickinson (resigned 10/07/2015)

D M Fisher (appointed 10/07/2015, resigned 01/03/2016)

G O D Heald (appointed 01/03/2016)

Indemnity provisions

The ultimate parent company, The Sage Group plc, maintained liability insurance for its directors and officers during the financial period 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

After making enquiries and obtaining a letter of support from The Sage Group plc, the Directors have formed a judgement at the time of approving the financial statements that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Sage Global Services Limited

Directors' report for the period from 24 March 2015 to 30 September 2015 (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.

This report has been prepared in accordance with the special provision relating to small companies within Part 15 of the Companies Act 2006 and the Company is therefore exempt from the requirement to prepare a Strategic Report.

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



G O D Heald

Director

27 June 2016

Independent auditors' report to the members of Sage Global Services Limited

We have audited the financial statements of Sage Global Services Limited for the period ended 30 September 2015 which comprise of the profit and loss account, balance sheet and the related notes 1 to 11. 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 and 2, 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 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 30 September 2015 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Sage Global Services Limited (continued)

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

Mark Morritt (Senior Statutory Auditor)
For and on behalf of Ernst and Young LLP
Statutory Auditors
Leeds

28 June 2016

Sage Global Services Limited

Profit and loss account for the period from 24 March 2015 to 30 September 2015

	Note	2015 £'000
Selling & Administration expenses	1	(13,350)
Operating loss		(13,350)
Loss on ordinary activities before taxation	2	(13,350)
Tax on loss on ordinary activities	3	-
Loss for the financial period	8	(13,350)

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 Global Services Limited

Balance sheet as at 30 September 2015

	Note	2015 £'000
Fixed assets		
Investments	4	-
Intangibles	5	2,402
Total assets		2,402
Creditors: amounts falling due after more than one year	6	(15,752)
Net Liabilities		(13,350)
Capital and reserves		
Called up share capital	7	-
Profit and loss account	8	(13,350)
Total shareholders' funds	9	(13,350)

The financial statements on pages 5 to 11 were approved by the board of directors on 27 June 2016 and were signed on its behalf by:



G O D Heald
Director

Sage Global Services 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".

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".

Intangible fixed asset

Intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and impairment losses if applicable. Software assets are amortised on a straight-line basis over their estimated useful lives, which do not exceed seven years.

Internally generated software development costs qualify for capitalisation if the Group can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete the intangible asset and use or sell it;
- Its ability to use or sell the intangible asset; how the intangible asset will generate probable future economic benefits;
- The existence of a market or, if it is to be used internally, the usefulness of the intangible asset;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- Its ability to measure reliably the expenditure attributable to the intangible asset during development.

Taxation

Taxation comprises current tax. Current tax is the expected tax payable (or recoverable) for the current period using the average tax rate for the financial period, and any adjustments to tax payable in respect of previous periods.

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 Global Services Limited

Notes to the financial statements for the period from 24 March 2015 to 30 September 2015

1 Selling and Administration expenses

These comprise of charges from other companies in the group.

2 Loss on ordinary activities before taxation

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

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.

3 Tax on loss on ordinary activities

(a) Analysis of charge in the period

There was no tax charge in the period.

(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 20.5%. The differences are explained below.

	2015 £'000
Loss on ordinary activities before taxation	(13,350)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.5%	(2,737)
Effects of:	
Group relief surrendered for no payment	2,737
Total current tax charge	-

No deferred tax has been recognised at the balance sheet date.

(c) Factors that may affect future tax charges

The main rate of Corporation Tax in the UK changed from 21% to 20% from 1 April 2015. Accordingly the company's results for this accounting period are taxed at an effective rate of 20.5% in the 2015 year.

In addition to the changes in rates of Corporation Tax disclosed above, a number of changes to the UK Corporation Tax system are proposed. The Corporation Tax rate will be 19% for the years starting the 1 April 2017, 2018 and 2019 and will reduce further to 18% for the year starting 1 April 2020 onwards.

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

Sage Global Services Limited

Notes to the financial statements for the period from 24 March 2015 to 30 September 2015 (continued)

4 Investments

Cost and Net book value	£'000
At 24 March 2015 and 30 September 2015	-

The Company has the following interest at 30 September 2015:

Company	Country of incorporation	Direct or Indirect Holding	% ownership of ordinary shares
Sage Global Services US, Inc.	US	Direct	100%
Sage Hibernia Services Limited	Ireland	Direct	100%

5 Intangibles

Cost and net book value	Computer software £000
At 24 March 2015	-
Additions in the period	2,402
As 30 September 2015	2,402

No amortisation charges has been charged in the current period as the software intangible will be available for use in FY16.

6 Creditors: amounts falling due after more than one year

	2015 £'000
Amounts owed to group undertakings	15,752

Amounts owed from group undertakings are due after more than one year and are unsecured and interest free.

Sage Global Services Limited

Notes to the financial statements for the period from 24 March 2015 to 30 September 2015 (continued)

7 Called up share capital

	2015 £
Allotted and fully paid	
1 ordinary share of £1	1
As at 30 September 2015	1

8 Profit and loss account

	£'000
At 24 March 2015	-
Loss for the financial period	(13,350)
At 30 September 2015	(13,350)

9 Reconciliation of movements in shareholders' funds

	2015 £'000
Opening shareholders' funds	-
Loss for the financial period	(13,350)
Closing shareholders' funds	(13,350)

10 Parent undertaking and controlling party

The Company's immediate and ultimate parent undertaking and controlling party is Sage Holding Company limited, 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 2015. Copies of the group financial statements can be obtained from the registered office at North Park, Newcastle upon Tyne, NE13 9AA.

Sage Global Services Limited

Notes to the financial statements for the period from 24 March 2015 to 30 September 2015 (continued)

11 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.