

SennaCo Limited

Annual report and financial statements

For the period ended 28 March 2020

Registered Number 11160016

Company Information

Directors

R Holliday
J-B Rancon

Registered Office

Overton Mill
Station Road
Overton
Basingstoke
RG25 3JG
United Kingdom

Independent Auditors

PricewaterhouseCoopers LLP
3 Forbury Place
23 Forbury Road
Reading
Berkshire
RG1 3JH
United Kingdom

Bankers

HSBC UK Bank plc
26 Broad Street
Reading
Berkshire
RG1 2BU
United Kingdom

Strategic report

The Directors present their strategic report of the Company for the period ended 28 March 2020.

Principal activities

The Company operates as an investment holding company with loan notes listed on the International Stock Exchange in Guernsey.

Results

The results for the period are set out in the profit and loss account on page 11. The loss for the financial period amounted to £0.4m (2019: £0.3m). The Company's financial position is presented in the balance sheet on page 12 and related notes.

The Board's Statement on s172

The Board of Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors (a-f).

Being a holding company with no employees, the key stakeholders of the business are the shareholders. As owners of our ultimate Group (see note 14) and Company we rely on the support of shareholders and their opinions are important to us which are sought as part of regular one-to-one meetings. Through an open and transparent dialogue, we have been able to develop a clear understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition and culture. Their views are considered as part of decision-making.

Principal risks and uncertainties facing the Company

As the Company has no trade, but acts as a holding company, the Directors consider the main risk is that of the performance of the Company's investments. Details of the risks and uncertainties faced by the Companies subsidiaries can be found in their respective Annual report and financial statements. The Directors do not consider that the Company is subject to any other significant risks and uncertainties. The Directors closely monitor the performance of the subsidiary entities.

Despite the wider global impact of the Covid-19 pandemic, during the period, Portals, (the Company's trading subsidiary) has continued to operate with only moderate disruption and the supply chain and distribution network have remained robust. The Company continues to assess the potential for disruption caused by the Covid-19 pandemic and its subsidiaries have put in place plans and measures in order to enable the business to maintain normal operations, to the extent possible, against the backdrop of an evolving situation.

Key performance indicators (KPIs)

The Directors consider that the use of key performance indicators is not appropriate to the understanding of the development, performance or position of the Company's business as a holding company.

Strategic report (continued)

Strategy and future developments

The Company's strategy is to continue to act as a holding company and to support GodivaCo Limited through the provision of intercompany financing.

Approved by the Board and signed on its behalf by

A handwritten signature in blue ink, appearing to read 'J-B Rancon', is written over a thin blue horizontal line.

J-B Rancon
Director
29 July 2020

Directors' report

The Directors present their report on the affairs of the Company together with the audited financial statements and independent auditors' report for the period ended 28 March 2020.

Business environment

The Company and its subsidiary undertakings operate in a challenging economic and regulatory environment and continue to be responsive and adaptable to bank note and security paper market needs, while actively seeking new product and service solutions and business development opportunities.

Future developments

The future developments of the Company have been disclosed in the Strategic report on page 3.

Results and position of the Company

The results and performance of the Company have been disclosed in the Strategic report on page 2.

Risks and uncertainties

The principal risks and uncertainties of the Company have been disclosed in the Strategic report on page 2.

Dividends

No dividends were paid during the period and the Directors do not recommend the payment of a final dividend (2019: Nil).

Financial risk management

Due to the nature and size of the business the Directors consider that any financial risk is negligible. The Company has no direct exposure to equity securities price risk as it holds no listed equity investments. The Company has no direct exposure to credit risk as there are no external customers. All of the Company's external debt during the period was at fixed interest rates.

Directors' report (continued)

Directors

The Directors who held office during the period and up to the date of signing the financial statements are given below:

J Grover	resigned 5 August 2019
R Holliday	
J-B Rancon	appointed 28 August 2019

Directors' indemnities

A subsidiary undertaking maintained liability insurance for the Company's Directors and Officers throughout the financial period and up to the date of this report.

Directors' report (continued)

Statement of Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

Going concern

The Directors have adopted the going concern basis in preparing the financial statements, as reported in note 3.

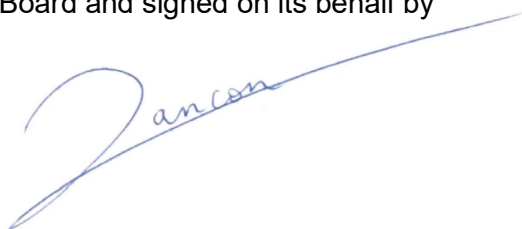
Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they 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.

Approved by the Board and signed on its behalf by

J-B Rancon
Director
29 July 2020



Independent auditors' report to the members of SennaCo Limited

Report on the audit of the financial statements

Opinion

In our opinion, SennaCo Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 March 2020 and of its loss for the 12 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance Sheet as at 28 March 2020; the Profit and loss account, the Statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview



- Overall materiality: £669,000 (2019: £601,000), based on 1% of total assets.
- We conducted the audit of the complete financial information of SennaCo Limited; and
- The Company engagement team performed all audit procedures.
- Consideration of the impact of COVID-19

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Independent auditors' report to the members of SennaCo Limited (continued)

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p><i>Consideration of the impact of COVID-19</i></p> <p>We focused on this area because of the global impact on the economy. The focus of our audit assessment was in relation to the potential impacts of COVID-19 on going concern. As an intermediate holding company, we have assessed this for the Company and the wider MooreCo Limited Group as a whole. The Directors believe that preparing the financial statements on the going concern basis is appropriate as they consider the Company to have access to sufficient funds to meet to meet its liabilities for twelve months from the signing of the financial statements.</p> <p>The Directors have demonstrated that the Group has sufficient cash to operate for a twelve-month period from the date of signing of the financial statements by preparing detailed cash flow forecasts, based on a number of assumptions.</p> <p>The going concern assumption is fundamental to the presentation of the financial statements and therefore a change in this assumption would alter their basis of presentation.</p>	<p>We obtained management's cashflow forecasts, which cover a period of twelve months and beyond, from the date of approval of the financial statements and confirmed that the forecasts indicated that the Group and Company would have sufficient cash to continue in operation for that period.</p> <p>We performed sensitivity analysis over the significant assumptions included in management's severe but plausible downside scenario, including those related to COVID-19, both individually and collectively to ascertain the extent of change that would be required for the Group and Company to have insufficient cash flows to meet their ongoing liabilities as they fall due.</p> <p>We also considered the likelihood of such movements arising and their potential impact on the compliance with the loan covenants of the external debt held by the Group. In addition, we considered the ability of the Group to provide support, as required, to enable the Company to meet its liabilities when falling due and obtained the letter of support provided to the Company. Our testing did not identify any material exceptions.</p> <p>Overall, we have concluded that the directors' use of the going concern basis and the disclosures included in the financial statements are appropriate. However, because not all future events or conditions can be predicted, this is not a guarantee as to the Company's ability to continue as a going concern.</p>

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

We conducted the audit of the complete financial information of SennaCo Limited with all material balances tested by the engagement team, including consideration of the performance of the wider Group in reaching our conclusion on going concern and the impact of COVID-19 on the Company

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Independent auditors' report to the members of SennaCo Limited (continued)

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<i>Overall materiality</i>	£669,000 (2019: £601,000).
<i>How we determined it</i>	Based on 1% of total assets.
<i>Rationale for benchmark applied</i>	We believe that total assets is the primary measure used by shareholders in assessing the performance of the entity in its capacity as a financing company of the MooreCo Limited Group.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £33,000 (2019: £33,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the period ended 28 March 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Independent auditors' report to the members of SennaCo Limited (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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 kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Sotiris Kroustis (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
29 July 2020

Profit and loss account
for the period ended 28 March 2020

	Note	2020 £000	2019 £000
Administrative expenses		(3)	(21)
Operating loss	4	(3)	(21)
Interest payable and similar expenses	5	(6,059)	(5,573)
Interest receivable and similar income	5	6,071	5,585
Profit / (loss) before taxation		9	(9)
Tax on profit / loss	6	(398)	(268)
Loss for the financial period		(389)	(277)

All of the Company's operations during the period related to continuing operations.

There were no items of other comprehensive income other than those reported in the profit and loss account and therefore no separate statement of comprehensive income has been presented.

Balance Sheet

as at 28 March 2020

	Note	2020 £000	2019 £000
Fixed assets			
Investments	7	-	-
Current assets			
Debtors	8	66,969	60,898
		66,969	60,898
Creditors: amounts falling due within one year	9	(690)	(779)
Net current assets		66,279	60,119
Total assets less current liabilities		66,279	60,119
Creditors: amounts falling due after more than one year	10	(66,945)	(60,396)
Net liabilities		(666)	(277)
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account		(666)	(277)
Total shareholders' deficit		(666)	(277)

The notes on pages 14 to 22 are an integral part of these financial statements. The financial statements on pages 11 to 22 were approved by the Board of Directors and were signed on its behalf by:

J-B Rancon
 Director
 29 July 2020
 Registered number: 11160016

Statement of changes in equity
for the period ended 28 March 2020

	Called up share capital £000	Profit and loss account £000	Total equity £000
As at 19 January 2018	-	-	-
Loss for the financial period	-	(277)	(277)
As at 30 March 2019	-	(277)	(277)
Loss for the financial period	-	(389)	(389)
As at 28 March 2020	-	(666)	(666)

Notes to the financial statements for the period ended 28 March 2020

1. General Information

The Company's business is that of an investment holding company.

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is Overton Mill, Station Road, Overton, Basingstoke, RG25 3JG, United Kingdom.

2. Statement of compliance

The financial statements of SennaCo Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Basis of preparation

The financial statements have been prepared under FRS 102, under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

The financial statements have been prepared for the 12 month period to 28 March 2020, being the last Saturday in March. The previous accounting period is not a year as this was the Company's first accounting period commencing on 19 January 2018 which was extended to 30 March 2019.

Going concern

The Company meets its funding requirements through cash generated from operations and a loan facility from its parent company, MooreCo Limited.

The Group meets its funding requirements through cash generated from operations and a £20 million Group Ancillary Facility with HSBC UK Bank plc which expires in March 2024.

The Group's forecasts and projections, which cover a period of more than twelve months from the date of authorisation of the financial statements, taking into account the additional downside risks of Covid-19 and severe but plausible downside scenarios, show that the Group will be able to operate within its currently available facilities. The Group has sufficient financial resources together with assets that are expected to generate cash flow in the normal course of business. As a consequence, the Directors have a reasonable expectation that the Group is well placed to manage its business risks (as outlined in the strategic report on page 2) and to continue in operational existence for the foreseeable future. Accordingly, the Directors have adopted the going concern basis in preparing the financial statements.

Notes to the financial statements (continued) **for the period ended 28 March 2020**

3. Summary of significant accounting policies (continued)

Going concern (continued)

The Directors have considered and modelled (i) severe but plausible downside scenarios that reflect the possible impact of key risks as detailed in the risk report on page 2 of the Strategic report, as well as (ii) potential downside risks as a result of Covid-19.

In the event these downsides were to occur, the Directors have considered and modelled the reasonable mitigating actions they would take, within their control, including cost reduction programmes, delays to overhead and discretionary capital expenditure and extending payment terms with suppliers.

In preparing this forecast, the Directors have also considered the trading agreements with its key customers and suppliers, and their financial condition. With regards to De La Rue plc (DLR) the Directors have noted that DLR is no longer reporting a material uncertainty in relation to going concern following its successful capital raise in July 2020.

The result of the above modelling of the base case, adjusted for severe but plausible downside scenarios which include adverse impacts from Covid-19 risks and mitigating actions, results in a 'reasonable worst case scenario' that has been used as the basis of the going concern conclusion. This model shows a c40% reduction in EBITDA in 2021 (measured against the base case forecast). Under this 'reasonable worst case' forecast, which covers a period of more than 12 months, the Group is still able to operate within its available banking facilities and comply with debt covenants.

The Directors believe that the possibility of the actual results being sufficiently worse to erode the liquidity and covenant headroom shown in this 'reasonable worst case' forecast is remote. As at the date of the approval of these financial statements, Covid-19 has had only a limited impact on the operations of the Group.

Portals De La Rue Limited has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company. In addition, the Company has received confirmation from other group companies that its intercompany debts will not be recalled for the same period.

The Directors consider that this, in combination with the wider assessment as to the ability to the Group to prepare accounts on a going concern basis, will enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As such, the Directors believe that it is appropriate to prepare the accounts on a going concern basis.

Notes to the financial statements (continued) **for the period ended 28 March 2020**

3. Summary of significant accounting policies (continued)

Consolidated financial statements

The Company is a wholly owned subsidiary of MooreCo Limited. The Company is included in the consolidated financial statements of MooreCo Limited which are publicly available (Note 14). Therefore, the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are the Company's separate financial statements.

Taxation

The charge for taxation is based on the profit / loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the exception that 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 future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted 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.

Interest receivable and payable

Interest receivable and payable is accounted for on an accruals basis in the profit and loss account using the effective interest method.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Notes to the financial statements (continued) **for the period ended 28 March 2020**

3. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets, liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs) and subsequently at cost less impairment or amortised cost, except for those financial assets and liabilities classified as at fair value. Financial assets and liabilities are only offset in the balance sheet when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Impairment reviews are performed by the Directors when there has been an indication of potential impairment.

Interest bearing loans are recorded at the proceeds received and subsequently measured at amortised cost. Finance charges are accounted for on an accruals basis in the profit and loss account.

Cash at bank and in hand

Cash at bank and in hand, which includes cash in hand, cash at bank and short-term deposits of less than three months, denominated in foreign currencies has been translated to Sterling using exchange rates prevailing at the end of the financial period.

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.

Cash flow statement

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, MooreCo Limited, includes the Company's cash flows in its own consolidated financial statements.

Employees

The Company had no employees during the period (2019: Nil).

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities and expenses. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. There were no critical accounting judgements or key sources of estimation uncertainty affecting the financial statements during the period.

Notes to the financial statements (continued)
 for the period ended 28 March 2020
4. Auditors' and Directors' remuneration

Auditors' and Directors' remuneration is borne by the Company's wholly owned subsidiary, Portals De La Rue Limited, with no recourse to the Company.

5. Finance charges / income (net)

	2020	2019
	£000	£000
Interest payable and similar expenses	(6,059)	(5,573)
Interest receivable and similar income	6,071	5,585
	<u>12</u>	<u>12</u>
Interest payable and similar expenses	2020	2019
	£000	£000
Fixed Rate Unsecured Loan Notes	(3,500)	(3,219)
Loans from parent undertaking	(2,559)	(2,354)
	<u>(6,059)</u>	<u>(5,573)</u>
Interest receivable and similar income	2020	2019
	£000	£000
Loans to subsidiary undertaking	6,071	5,585
	<u>6,071</u>	<u>5,585</u>

Notes to the financial statements (continued)
for the period ended 28 March 2020
6. Tax charge on profit / loss

a) The tax charge comprises:

	2020	2019
	£000	£000
UK corporation tax		
Current period	(398)	(268)
	<hr/>	<hr/>
Total current tax	<u>(398)</u>	<u>(268)</u>

b) The tax assessed for the period is higher than the standard rate of corporation tax of 19% (2019: 19%) in the UK for the period ended 28 March 2020. The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before taxation are as follows:

	2020	2019
	£000	£000
Profit / (loss) before taxation	9	(9)
	<hr/>	<hr/>
Profit / (loss) before taxation multiplied by standard rate in the UK of 19% (2019: 19%)	(2)	2
Effects of:		
Interest not deductible for tax purposes	(396)	(270)
	<hr/>	<hr/>
Tax on profit / loss	<u>(398)</u>	<u>(268)</u>

c) Factors that may affect future tax charges

Changes to the UK corporation tax rate substantively enacted as part of Finance Bill 2016 were amended as part of the Finance Bill 2020. The planned main rate reduction to 17% from 1 April 2020 has been removed leaving the main corporation tax rate at 19%. Deferred taxes at the balance sheet date have been measured using these latest enacted tax rates and reflected in these financial statements.

Notes to the financial statements (continued)

for the period ended 28 March 2020

7. Investments

Investments in subsidiary undertakings

	2020	2019
	£000	£000
Investments at cost	-	-

On 29 March 2018, the Company acquired one £1.00 Ordinary Share in GodivaCo Limited at par for £1.00 per share, paid in cash. At 28 March 2020, the Company owned the whole of the issued share capital, either directly or indirectly, of the following subsidiaries which are incorporated in England and Wales and registered at Overton Mill, Station Road, Overton, Basingstoke, RG25 3JG, with the exception of Portals De La Rue Mexico Comercial.

	Principal Activity	Number and value of share capital held
GodivaCo Limited	Holding company	1 £1 ordinary shares
WhickerCo Limited*	Holding company	1 £1 ordinary shares
Portals De La Rue Limited*	Banknote and other security paper manufacturing	14,406,001 £1 ordinary shares
Portals De La Rue Comercial S.A. De C.V.*#	Supply of security paper	10,000 1MXP ordinary shares

* Held by subsidiary undertaking.

Registered in Mexico at Sierra Mojada No. 626, Col. Lomas de Chapultepec VIII Sección, Ciudad de México, C.P. 11000, Mexico.

8. Debtors

	2020	2019
	£000	£000
Amounts owed by subsidiary undertakings	66,969	60,693
Interest receivable	-	204
Other taxes	-	1
	<u>66,969</u>	<u>60,898</u>

The amounts owed by subsidiary undertakings are due after more than one year, attract interest at 10% per annum and are unsecured with no set repayment date.

Notes to the financial statements (continued)

for the period ended 28 March 2020

9. Creditors: amounts falling due within one year

	2020	2019
	£000	£000
Corporation tax	398	47
Amounts owed to subsidiary undertaking	292	121
Interest payable	-	611
	<u>690</u>	<u>779</u>

The amount owed to subsidiary undertaking is in respect of tax payable on behalf of the Company.

10. Creditors: amounts falling due after more than one year

	2020	2019
	£000	£000
Fixed Rate Unsecured Loan Notes 2028	38,720	34,816
Amounts owed to parent undertaking	28,225	25,580
	<u>66,945</u>	<u>60,396</u>

Fixed Rate Unsecured Loan Notes 2028 are repayable in March 2028. Amounts owed to parent undertaking are loans, due after more than one year and are unsecured with no set repayment date. All borrowings are interest bearing at 10%.

The Company undertook the following transactions in respect of the Fixed Rate Unsecured Loan Notes 2028 during the prior period:

- (a) On 29 March 2018, £32,000,000 Loan Notes were issued.
- (b) On 29 March 2019, £2,816,150 Loan Notes were issued as payment in lieu of cash interest to certain holders of the Loan Notes from 29 March 2018 to 28 March 2019. Loan Notes are listed on the International Stock Exchange in Guernsey.

11. Called up share capital

Authorised, allotted and fully paid
At 28 March 2020 & 30 March 2019

	Number	£
Ordinary shares of £1 each	1	<u>1</u>

On incorporation, 19 January 2018, the Company issued 1 Ordinary share of £1 each for cash consideration of £1.

Notes to the financial statements (continued)

for the period ended 28 March 2020

12. Financial instruments

The carrying value of the Company's financial assets and liabilities are summarised by category below:

	2020 £000	2019 £000
Financial assets		
<i>Measured at amortised amount receivable</i>		
Amounts owed by subsidiary undertakings and interest receivable excluding taxes (note 8)	66,969	60,897
	<u>66,969</u>	<u>60,897</u>
Financial liabilities		
<i>Measured at amortised amount payable</i>		
Fixed Rate Unsecured Loan Notes 2028 (note 10)	38,720	34,816
Amounts owed to parent and subsidiary undertakings excluding taxes (note 9 & 10)	28,517	25,580
Interest payable (note 10)	-	611
	<u>67,237</u>	<u>61,007</u>
Income, expense, gains and losses in respect of financial instruments are as follows:		
Total interest expense for financial liabilities at amortised cost	<u>(6,059)</u>	<u>(5,573)</u>

13. Related party transactions

Advantage has been taken of the exemption as provided in section 33.1A of FRS 102 and there is no disclosure of transactions with other entities within the MooreCo Limited group.

14. Ultimate parent undertaking and controlling party

MooreCo Limited is the parent undertaking. MooreCo Limited is the largest parent undertaking to consolidate these financial statements at 28 March 2020. The consolidated financial statements of MooreCo Limited can be obtained from Overton Mill, Station Road, Overton, Basingstoke, Hampshire, RG25 3JG.

Epiris GP Limited as general partner of Epiris Fund II LP, Epiris Fund II (B) LP, Epiris Fund II FFP LP and Epiris TC LP, a partnership registered in the United Kingdom, is the Company's ultimate controlling party.