

Portals Finance 1 Limited

(Previously SennaCo Limited)

Annual report and financial statements

For the period ended 27 March 2021

Registered Number 11160016

Portals Finance 1 Limited (Previously SennaCo Limited)

Company Information

Directors

R Holliday
J-B Rancon

Registered Office

Overton Mill
Station Road
Overton
Basingstoke
RG25 3JG
United Kingdom

Independent Auditors

Grant Thornton UK LLP
Southampton Science Park
Chilworth
Southampton
Hampshire
SO16 7QJ
United Kingdom

Bankers

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

Portals Finance 1 Limited (Previously SennaCo Limited)

Strategic report

The Directors present their strategic report of the Company for the period ended 27 March 2021.

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 10. The loss for the financial period amounted to £0.5m (2020: £0.4m). The Company's financial position is presented in the balance sheet on page 11 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 welcome the support of our shareholders. The controlling shareholder has nominated two directors with whom the Group maintains an active and open dialogue through one-to-one meetings and the regular monthly management board meetings which cover a wide range of topics including financial performance, target setting, strategy, outlook, governance and ethical practices.

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 Paper, (the Company's trading subsidiary) has continued to operate with some disruption and the supply chain and distribution network have remained robust. The Company continues to assess the potential for further 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.


Portals Finance 1 Limited (Previously SennaCo Limited)

Strategic report (continued)

Strategy and future developments

The Company's strategy is to continue to act as a holding company and to support Portals Finance 2 Limited through the provision of intercompany financing.

Approved by the Board and signed on its behalf by



J-B Rancon
Director
9 August 2021

Portals Finance 1 Limited (Previously SennaCo Limited)

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 27 March 2021.

Directors

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

R Holliday
J-B Rancon

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 (2020: 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' 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.

Portals Finance 1 Limited (Previously SennaCo Limited)

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 and applicable law, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"). 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 and 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

The directors confirm that at the date the Directors' Report is approved:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors 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
9 August 2021

Portals Finance 1 Limited (Previously SennaCo Limited)

Independent auditors' report to the members of Portals Finance 1 Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Portals Finance 1 Limited (the 'company') for the year ended 27 March 2021, which comprise profit and loss account, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 27 March 2021 and of the loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

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Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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
- the company 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.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Portals Finance 1 Limited (Previously SennaCo Limited)

Auditor's 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 auditor's 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors, and legal and regulatory correspondence. The key laws and regulations we considered in this context included the UK Companies Act and FRS 102.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
 - journal entries with a focus on manual journals and journals indicating large or unusual transactions; and
 - potential management bias in determining accounting estimates, especially in relation to the calculation of impairment of intercompany receivables.
- Our audit procedures involved:
 - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
 - journal entry testing, with a focus on material manual journals, including those with unusual account combinations and those that reclassified costs from the income statement to the balance sheet;
 - challenging assumptions and judgements made by management in its significant accounting estimates; and
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- In addition, we completed audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements.

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- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The engagement leader's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the team's understanding of, and experience with engagements of a similar nature and complexity, knowledge of the industry and understanding of the legal and regulatory requirements specific to the entity.
- We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.

Use of our report

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.



Amanda James BFP ACA FCCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Southampton
Date: 9th August 2021

Portals Finance 1 Limited (Previously SennaCo Limited)

Profit and loss account
for the period ended 27 March 2021

	Note	2021 £000	2020 £000
Administrative expenses		(3)	(3)
Operating loss		(3)	(3)
Interest payable and similar expenses	5	(6,685)	(6,059)
Interest receivable and similar income	5	6,698	6,071
Profit before taxation		11	9
Tax on profit	6	(615)	(398)
Loss for the financial period		(604)	(389)

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

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

The notes on pages 13 to 21 are an integral part of these financial statements.

Portals Finance 1 Limited (Previously SennaCo Limited)

Balance Sheet
 as at 27 March 2021

	Note	2021 £000	2020 £000
Fixed assets			
Investments	7	-	-
Current assets			
Debtors	8	73,667	66,969
Cash and cash equivalents		1	-
		73,668	66,969
Creditors: amounts falling due within one year	9	(1,309)	(690)
Net current assets		72,359	66,279
Total assets less current liabilities		72,359	66,279
Creditors: amounts falling due after more than one year	10	(73,629)	(66,945)
Net liabilities		(1,270)	(666)
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account		(1,270)	(666)
Total shareholders' deficit		(1,270)	(666)

The notes on pages 13 to 21 are an integral part of these financial statements. The financial statements on pages 10 to 21 were approved by the Board of Directors and were signed on its behalf by:



J-B Rancon
 Director
 9 August 2021
 Registered number: 11160016

Portals Finance 1 Limited (Previously SennaCo Limited)

Statement of changes in equity
for the period ended 27 March 2021

	Called up share capital £000	Profit and loss account £000	Total equity £000
As at 30 March 2019	-	(277)	(277)
Loss for the financial period	-	(389)	(389)
As at 28 March 2020	-	(666)	(666)
Loss for the financial period	-	(604)	(604)
As at 27 March 2021	-	(1,270)	(1,270)

The notes on pages 13 to 21 are an integral part of these financial statements.

Portals Finance 1 Limited (Previously SennaCo Limited)

Notes to the financial statements for the period ended 27 March 2021

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 Portals Finance 1 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. These policies have been consistently applied to all the periods presented unless otherwise stated.

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 27 March 2021, being the last Saturday in March. The prior accounting period is for the 12-month period to 28 March 2020. The functional and presentational currency is pounds sterling and the numbers are displayed to the nearest thousand unless otherwise indicated.

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Company is a wholly owned subsidiary of Portals International Limited (No: 11159875). The Company is included in the consolidated financial statements of Portals International Limited which are publicly available. 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 individual financial statements.

The Company has also taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;

Portals Finance 1 Limited (Previously SennaCo Limited)

Notes to the financial statements (continued) for the period ended 27 March 2021

3. Summary of significant accounting policies (continued)

Going concern

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

The Group meets its funding requirements through cash generated from operations and a £20 million revolving credit 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.

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.

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 c25% reduction in EBITDA in 2022 (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.

Portals Paper 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.

Portals Finance 1 Limited (Previously SennaCo Limited)

Notes to the financial statements (continued) for the period ended 27 March 2021

3. Summary of significant accounting policies (continued)

Going Concern (continued)

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.

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.

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.

Employees

The Company had no employees during the period (2020: 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.

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.

Portals Finance 1 Limited (Previously SennaCo Limited)

Notes to the financial statements (continued) **for the period ended 27 March 2021**

3. Summary of significant accounting policies (continued)

Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments. Financial instruments are measured at fair value at the date the contract is entered into and subsequently remeasured to their fair value at each balance sheet date with the gain or loss being taken to the profit & loss account. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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. Impairment reviews are performed by the Directors when there has been an indication of potential impairment or recoverability is considered doubtful.

Financial assets and liabilities are only offset in the statement of financial position 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. 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 income statement.

Cash and cash equivalents

Cash and cash equivalents, 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.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Portals Finance 1 Limited (Previously SennaCo Limited)

Notes to the financial statements (continued)
 for the period ended 27 March 2021
4. Auditors' and Directors' remuneration

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

5. Finance charges / income (net)

	2021	2020
	£000	£000
Interest payable and similar expenses	(6,685)	(6,059)
Interest receivable and similar income	6,698	6,071
	<u>14</u>	<u>12</u>
Interest payable and similar expenses	2021	2020
	£000	£000
Fixed Rate Unsecured Loan Notes	(3,861)	(3,500)
Loans from parent undertaking	(2,823)	(2,559)
	<u>(6,685)</u>	<u>(6,059)</u>
Interest receivable and similar income	2021	2020
	£000	£000
Loans to subsidiary undertaking	6,698	6,071
	<u>6,698</u>	<u>6,071</u>

Portals Finance 1 Limited (Previously SennaCo Limited)

Notes to the financial statements (continued)

for the period ended 27 March 2021

6. Tax charge on profit / loss

a) The tax charge comprises:

	2021	2020
	£000	£000
UK corporation tax		
Current period	(597)	(398)
Adjustments with respect to prior years	(18)	-
	<hr/>	<hr/>
Total current tax	<u>(615)</u>	<u>(398)</u>

b) The tax assessed for the period is higher than the standard rate of corporation tax of 19% (2020: 19%) in the UK for the period ended 27 March 2021. 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:

	2021	2020
	£000	£000
Profit before taxation	11	9
	<hr/>	<hr/>
Profit before taxation multiplied by standard rate in the UK of 19% (2020: 19%)	(2)	(2)
Effects of:		
Interest not deductible for tax purposes	(583)	(396)
Origination and reversal of timing differences	(12)	-
Adjustments with respect to prior years	(18)	-
	<hr/>	<hr/>
Tax on profit	<u>(615)</u>	<u>(398)</u>

c) Factors that may affect future tax charges

A change to the UK corporation tax rate was substantively enacted as part of Finance Bill 2021 (on 10 June 2021). An increase to the main rate to 25% from 1 April 2023. Deferred taxes at the Balance Sheet date have not been measured using this enacted tax rate and is not reflected in these financial statements.

Portals Finance 1 Limited (Previously SennaCo Limited)

Notes to the financial statements (continued)

for the period ended 27 March 2021

7. Investments

Investments in subsidiary undertakings

	2021	2020
	£000	£000
Investments at cost	-	-

On 29 March 2018, the Company acquired one £1.00 Ordinary Share in Portals Finance 2 Limited at par for £1.00 per share, paid in cash. At 27 March 2021, 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 Paper S.A. De C.V.

	Principal Activity	Number and value of share capital held
Portals Finance 2 Limited	Holding company	1 £1 ordinary shares
Portals Finance 3 Limited*	Holding company	1 £1 ordinary shares
Portals Paper Limited*	Banknote and other security paper manufacturing	14,406,001 £1 ordinary shares
Portals Paper 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

	2021	2020
	£000	£000
Amounts owed by subsidiary undertakings	73,667	66,969
	<u>73,667</u>	<u>66,969</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.

Portals Finance 1 Limited (Previously SennaCo Limited)

Notes to the financial statements (continued)
for the period ended 27 March 2021
9. Creditors: amounts falling due within one year

	2021	2020
	£000	£000
Corporation tax	-	398
Amounts owed to subsidiary undertaking	1,309	292
	<u>1,309</u>	<u>690</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

	2021	2020
	£000	£000
Fixed Rate Unsecured Loan Notes 2028	42,581	38,720
Amounts owed to parent undertaking	31,048	28,225
	<u>73,629</u>	<u>66,945</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%.

On 25 March 2021, £2,896,125 Loan Notes were issued as payment in lieu of cash interest to certain holders of the Loan Notes from 30 March 2019 to 28 March 2020. Loan Notes are listed on the International Stock Exchange in Guernsey.

11. Called up share capital

Authorised, allotted and fully paid
At 27 March 2021 & 28 March 2020

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

Portals Finance 1 Limited (Previously SennaCo Limited)

Notes to the financial statements (continued)
for the period ended 27 March 2021
12. Financial instruments

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

	2021	2020
	£000	£000
Financial assets		
<i>Measured at amortised amount receivable</i>		
Amounts owed by subsidiary undertakings and interest receivable excluding taxes (note 8)	73,667	66,969
Cash	1	-
	<u>73,668</u>	<u>66,969</u>
Financial liabilities		
<i>Measured at amortised amount payable</i>		
Fixed Rate Unsecured Loan Notes 2028 (note 10)	42,581	38,720
Amounts owed to parent and subsidiary undertakings excluding taxes (note 9 & 10)	32,357	28,517
	<u>74,938</u>	<u>67,237</u>
Income, expense, gains and losses in respect of financial instruments are as follows:		
Total interest expense for financial liabilities at amortised cost	<u>(6,685)</u>	<u>(6,059)</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 Portals International Limited group. There were no other related party transactions.

14. Ultimate parent undertaking and controlling party

Portals International Limited is the parent undertaking. Portals International Limited is the largest parent undertaking to consolidate these financial statements at 27 March 2021. The consolidated financial statements of Portals International 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.