
SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

UNAUDITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019



SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

COMPANY INFORMATION

Directors	H M Stein K J McAdams N Marrison
Registered number	04968444
Registered office	7 Rushmills Northampton NN4 7YB

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

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SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019**

The directors present their report and the financial statements for the 15 month period ended 31 December 2019 (2018: year ended 30 September 2018).

Principal activity

The principal activity of the Company is that of a holding company.

Results and dividends

The loss for the period, after taxation, amounted to £3,488,000 (2018 - loss £17,000).

The directors paid dividends totalling £1,957,000 in the period (2018: £1,674,000).

Director

The director who served during the period and up to the date of this report was:

D J Gutteridge (resigned 9 September 2019)
C Winn (resigned 9 September 2019)
J C M Paterson (resigned 9 September 2019)
R D Mogg (resigned 13 December 2019)
I Newcombe (resigned 31 March 2020)
A D Tate (appointed 9 September 2019, resigned 31 March 2020)
T V N Reddy (appointed 9 September 2019, resigned 31 March 2020)
H T El-Nazer (appointed 9 September 2019, resigned 31 March 2020)
H M Stein (appointed 31 March 2020)
K L Chalmers (appointed 31 March 2020, resigned 11 December 2020)
S A Cummings (appointed 31 March 2020, resigned 11 December 2020)
K J McAdams (appointed 11 December 2020)
N Marrison (appointed 11 December 2020)

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2019**

Directors' responsibilities statement

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including 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 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;
- 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Post balance sheet events

In March 2020, the World Health Organisation recognised the novel strain of coronavirus ("COVID-19"), as a pandemic. In response to this COVID-19 outbreak, the governments of many countries, states and cities and other geographic regions have taken preventative or protective actions, such as imposing restrictions on travel and business operations and advising or requiring individuals to limit or forego their time outside of their homes. Accordingly, the COVID-19 outbreak has severely restricted the level of economic activity in many countries, and continues to adversely impact global economic activity and has contributed to significant volatility in financial markets. The Company is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Management believes our balance sheet and ability to maintain financial liquidity remains strong. With many of our customers anticipating extended declines in their businesses due to the COVID-19 pandemic, we are monitoring closely for trends that may impact their timing or ability to pay amounts owed to us. Based on this analysis the Company has concluded that there is not a substantial doubt about the Company's ability to continue as a going concern. The Company will continue to evaluate on-going risks and uncertainty related to COVID-19.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2019**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 18 December 2020 and signed on its behalf by



N Marrison
Director

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2019

		period ended 31 December 2019 £000	year ended 30 September 2018 £000
Administrative expenses		(1,946)	(1,378)
Exceptional administrative expenses	5	(2,580)	(385)
Operating loss		(4,526)	(1,763)
Income from shares in group undertakings		-	1,509
Interest receivable and similar income		13	-
Loss before tax		(4,513)	(254)
Tax on loss		1,025	237
Loss for the financial period/year		(3,488)	(17)
Total comprehensive expense for the period/year		(3,488)	(17)

The notes on pages 9 to 21 form part of these financial statements.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)
REGISTERED NUMBER:04968444

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	31 December 2019 £000	30 September 2018 £000
Fixed assets			
Tangible assets	6	63	76
Investments	7	25,679	25,034
		<u>25,742</u>	<u>25,110</u>
Current assets			
Debtors: amounts falling due after more than one year	8	-	29
Debtors: amounts falling due within one year	8	7,366	5,328
Cash at bank and in hand	9	131	58
		<u>7,497</u>	<u>5,415</u>
Creditors: amounts falling due within one year	10	(15,195)	(10,042)
Net current liabilities		(7,698)	(4,627)
Total assets less current liabilities		18,044	20,483
Provisions for liabilities			
Deferred tax	11	(4)	-
		<u>(4)</u>	<u>-</u>
Net assets		18,040	20,483
Capital and reserves			
Called up share capital	12	6,434	5,997
Share premium account	13	11,477	9,557
Merger reserve	13	2,394	2,394
Profit and loss account	13	(2,265)	2,535
		<u>18,040</u>	<u>20,483</u>

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)
REGISTERED NUMBER:04968444

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2019

For the period ended 31 December 2019 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2020 by:



N Marrison
Director

The notes on pages 9 to 21 form part of these financial statements.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 October 2018	5,997	9,557	2,394	2,535	20,483
Comprehensive expense for the period					
Loss for the period	-	-	-	(3,488)	(3,488)
Total comprehensive expense for the period	-	-	-	(3,488)	(3,488)
Dividends: Equity capital	-	-	-	(1,957)	(1,957)
Shares issued during the period	437	1,920	-	-	2,357
Share based payment charge	-	-	-	645	645
Total transactions with owners	437	1,920	-	(1,312)	1,045
At 31 December 2019	6,434	11,477	2,394	(2,265)	18,040

The notes on pages 9 to 21 form part of these financial statements.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Called up share capital £000	Share premium account £000	Available for sale reserve £000	Merger reserve £000	Profit and loss account £000	Total equity £000
At 1 October 2017	5,507	9,133	57	-	3,972	18,669
Comprehensive expense for the year						
Loss for the year	-	-	-	-	(17)	(17)
Change in fair value of available for sale asset	-	-	(57)	-	-	(57)
Total comprehensive expense for the year	-	-	(57)	-	(17)	(74)
Dividends: Equity capital	-	-	-	-	(1,674)	(1,674)
Exercise of share options	91	424	-	-	-	515
Shares issued as consideration	399	-	-	2,394	-	2,793
Share based payment charge	-	-	-	-	254	254
Total transactions with owners	490	424	-	2,394	(1,420)	1,888
At 30 September 2018	5,997	9,557	-	2,394	2,535	20,483

The notes on pages 9 to 21 form part of these financial statements.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

1. General information

Sanderson Group Limited is a private company limited by shares & incorporated in England and Wales. Registered number 04695575. Its registered head office is located at 7 Rushmills, Northampton, NN4 7YB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

There were no transitional adjustments required to the figures previously reported in accordance with FRS 101 as a result of the adoption of FRS 102. Accordingly there are no adjustments to (i) equity as at the date of transition of 1 October 2017 (ii) equity as at the date of the last financial statements prepared under FRS 101 of 30 September 2018 or (iii) the profit/loss for the year ended 30 September 2018.

The following principal accounting policies have been applied:

2.2 Going concern

After reviewing the Company's and group's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

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

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Current and deferred taxation

The tax income for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	33%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.10 Debtors

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

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like other debtors, trade and other creditors, loans from and to related parties and investments in unlisted company ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in unlisted ordinary shares are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

3. Employees

	period ended 31 December 2019 £000	<i>year ended 30 September 2018 £000</i>
Wages and salaries	1,155	1,046
Social security costs	279	130
Cost of defined contribution scheme	121	69
Share based payments	545	239
	2,100	<i>1,484</i>
	2,100	<i>1,484</i>

The average monthly number of employees, including the directors, during the period/year was as follows:

	period ended 31 December 2019 No.	<i>year ended 30 September 2018 No.</i>
Administration	19	20
Sales and marketing	1	1
	20	<i>21</i>
	20	<i>21</i>

Employee share option scheme

Of the options exercised during the year, a total of 2,691,750 were in respect of employees of the Company. The share-based payment charge in respect of share option awards amounted to £545,000 (2018: £239,000).

4. Dividends

	31 December 2019 £000	<i>30 September 2018 £000</i>
Dividends paid	1,957	1,674
	1,957	<i>1,674</i>
	1,957	<i>1,674</i>

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

5. Exceptional items

	period ended 31 December 2019 £000	<i>year ended 30 September 2018 £000</i>
Exceptional items	2,580	385

6. Tangible fixed assets

	Plant and machinery £000
Cost or valuation	
At 1 October 2018	425
Additions	35
At 31 December 2019	460
Depreciation	
At 1 October 2018	349
Charge for the period	48
At 31 December 2019	397
Net book value	
At 31 December 2019	63
At 30 September 2018	76

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

7. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 October 2018	29,788
Additions	645
At 31 December 2019	<u>30,433</u>
Impairment	
At 1 October 2018	4,754
At 31 December 2019	<u>4,754</u>
Net book value	
At 31 December 2019	<u>25,679</u>
At 30 September 2018	<u>25,034</u>

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

7. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Sanderson Multi-Channel Solutions Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Sanderson Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
One iota Limited	6 St. Georges Court, Dairyhouse Lane, Altrincham, England, WA14 5UA	Ordinary	100%
Proteus Software Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Sonarsend Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Sanderson Australia Pty Limited	Australia	Ordinary	100%
Sanderson Multi-Channel Retail Solutions Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Anisa Consolidated Holdings Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Anisa Group Holdings Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Anisa Supply Chain Solutions Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
OBSL Pty Limited	Australia	Ordinary	100%
OBS Logistics Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Open Business Solutions Logistics Pte Limited	Singapore	Ordinary	100%
In2grate Business Solutions Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Priam Retail Solutions Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Sanderson Logistics Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Sanderson Support Limited	Sanderson House, Manor Road, Coventry, CV1 2GF	Ordinary	100%

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

7. Fixed asset investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
Sanderson Commercial Services Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Sanderson Ireland Limited	Republic of Ireland	Ordinary	100%
Sanderson Retail Systems Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Deals Joy Limited	6 St. Georges Court, Dairyhouse Lane, Aittrincham, England, WA14 5UA	Ordinary	100%
Evogenic Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Sanderson Technologies Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Anisanet Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Pivotpoint Europe Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%
Sia Anisa Limited	7 Rushmills, Northampton, England, NN4 7YB	Ordinary	100%

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

8. Debtors

	31 December 2019 £000	<i>30 September 2018 £000</i>
Due after more than one year		
Deferred tax asset	-	29
	-	29

	31 December 2019 £000	<i>30 September 2018 £000</i>
Due within one year		
Amounts owed by group undertakings	6,214	5,012
Prepayments and accrued income	100	74
Corporation tax	1,052	242
	7,366	5,328

9. Cash and cash equivalents

	31 December 2019 £000	<i>30 September 2018 £000</i>
Cash at bank and in hand	131	58
	131	58

10. Creditors: Amounts falling due within one year

	31 December 2019 £000	<i>30 September 2018 £000</i>
Deferred consideration	-	993
Trade creditors	76	87
Amounts owed to group undertakings	14,211	8,253
Other taxation and social security	140	45
Accruals and deferred income	768	664
	15,195	10,042

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

11. Deferred taxation

	31 December 2019 £000	30 September 2018 £000
At beginning of the period/year	29	27
Charged to profit or loss	(33)	2
At end of the period/year	(4)	29

The deferred tax asset is made up as follows:

	31 December 2019 £000	30 September 2018 £000
Property, plant and equipment	(4)	(4)
Trade and other payables	-	31
Share-based payment expense	-	2
	(4)	29

12. Share capital

	31 December 2019 £000	30 September 2018 £000
Allotted, called up and fully paid		
64,350,234 (2018 - 59,972,484) Ordinary shares of £0.10 each	6,434	5,997

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

13. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Merger reserve

The merger reserve was created on the acquisition of Anisa Consolidated Holdings Limited and represents the premium attached to the issue of shares which formed part of the consideration.

Profit and loss account

Includes all current and prior period retained profits and losses.

14. Contingent liabilities

The Company has guaranteed the bank facilities of its subsidiary companies. Bank facilities available to each subsidiary company are secured by fixed and floating charges over both the Company's and all its subsidiaries' property, assets and undertakings.

15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £121,000 (year ended 30 September 2018: £69,000). Contributions totalling £Nil (2018: £Nil) were payable to the fund at the reporting date and are included in creditors.

16. First time adoption of FRS 102

There were no transitional adjustments required to the figures previously reported in accordance with FRS 101 as a result of the adoption of FRS 102. Accordingly there are no adjustments to (i) equity as at the date of transition of 1 October 2017 (ii) equity as at the date of the last financial statements prepared under FRS 101 of 30 September 2018 or (iii) the profit/loss for the year ended 30 September 2018.

17. Related party transactions

The Company has taken advantage of the exemption in FRS 102 Section 1A from disclosing transactions with related parties that are wholly owned by Gaytor Parent Limited.

SANDERSON GROUP LIMITED (FORMERLY SANDERSON GROUP PLC)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

18. Post balance sheet events

In March 2020, the World Health Organisation recognised the novel strain of coronavirus ("COVID-19), as a pandemic. In response to this COVID-19 outbreak, the governments of many countries, states and cities and other geographic regions have taken preventative or protective actions, such as imposing restrictions on travel and business operations and advising or requiring individuals to limit or forego their time outside of their homes. Accordingly, the COVID-19 outbreak has severely restricted the level of economic activity in many countries, and continues to adversely impact global economic activity and has contributed to significant volatility in financial markets. The Company is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Management believes our balance sheet and ability to maintain financial liquidity remains strong. With many of our customers anticipating extended declines in their businesses due to the COVID-19 pandemic, we are monitoring closely for trends that may impact their timing or ability to pay amounts owed to us. Based on this analysis the Company has concluded that there is not a substantial doubt about the Company's ability to continue as a going concern. The Company will continue to evaluate on-going risks and uncertainty related to COVID-19.

19. Controlling party

The immediate parent undertaking of the Company is Apteon Limited. The ultimate parent undertaking is Gaytor Parent Limited, a company incorporated in Jersey, Channel Islands. The ultimate controlling parties are TA Associates, Charlesbank and Vista Equity Partners by virtue of their equal shareholding in Gaytor Parent Limited. The largest and smallest group for which consolidated accounts are prepared is that headed by Gator Intermediate Holdco (UK) Limited with a registered office at 7 Rushmills, Northampton, England, NN4 7YB.