

08804263

SAGA PLC

FINANCIAL STATEMENTS

For the period from incorporation (5 December 2013) to 2 May 2014



SAGA PLC
Directors' report

Directors	A J Goodsell S M Howard I H L Batchelor (appointed 14 April 2014)
Secretary	V Haynes
Registered Office	Enbrook Park, Folkestone, Kent, CT20 3SE
Company Registration no.	08804263

The Directors present their report together with the financial statements for the period from incorporation to 2 May 2014 which have been prepared in accordance with section 839(4) of the Companies Act 2006

Change of name and registration of the Company

On 23 December 2013 the Company changed its name from Sequoia Newco 1 Limited to Saga Limited

On 2 May 2014, the Company re-registered as a plc under s 92 of the Companies Act 2006 and changed its name from Saga Limited to Saga plc

Directors

The Directors of the Company during the period are listed above.

Result for the period under review

The Company has not traded during the period under review. Accordingly no profit and loss account has been presented.

SAGA PLC

Directors' report (continued)

Statement of directors' responsibilities

The Directors are responsible for preparing the Directors' Report the Strategic Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under the 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 laws). 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 the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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.

It is the Group's policy to maintain indemnity insurance for Directors and officers.

Disclosure of information to the auditors

Each current Director has made enquiries of their fellow directors and the Company's auditor and taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Relevant audit information is that information needed by the auditor in connection with preparing the report. So far as each director approving this report is aware, and based on the above steps, there is no relevant audit information of which the auditor is unaware.

SAGA PLC
Directors' report (continued)

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Auditors

Ernst & Young LLP were appointed as auditors of the Company on 1 May 2014.

By order of the Board



S M Howard
Director
2 May 2014

SAGA PLC
Strategic report

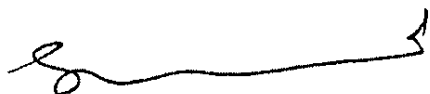
Principal activity and review of business developments

The Company was incorporated on 5 December 2013. The Company has not traded since incorporation.

The principal activity of the Company during the period was that of a holding company. It is not anticipated that there will be a change in activity of the Company in the foreseeable future.

On 30 April 2014 the Company, to be re-registered as 'Saga plc', announced its intention to proceed with an initial public offering. The Company intends to apply for admission of its ordinary shares to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange.

By order of the Board



S M Howard
Director
2 May 2014

REPORT OF THE INDEPENDENT AUDITOR TO SAGA PLC UNDER SECTION 839(5) OF THE COMPANIES ACT 2006

We have examined the initial accounts of Saga plc ('the Company') for the period from 5 December 2013 to 2 May 2014 which comprises the Balance Sheet and the related notes 1 to 7. The initial accounts have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 839(5) of the Companies Act 2006 and for no other purpose. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

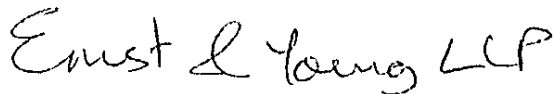
Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the Directors are responsible for the preparation of the initial accounts in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to report to you our opinion as to whether the initial accounts have been properly prepared within the meaning of section 839(4) of the Companies Act 2006.

Opinion

In our opinion the initial accounts for the period from 5 December 2013 to 2 May 2014 have been properly prepared within the meaning of section 839(4) of the Companies Act 2006.



John Headley (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
1 More London Place
SE1 2AF
London
2 May 2014

SAGA PLC
Balance sheet as at 2 May 2014

	Note	2 May 2014 £'m
Non-current assets		
Investment in subsidiaries	3	3,539.6
Current assets		
Amounts due from parent undertaking	4	-
Total net assets		<u>3,539.6</u>
Capital and reserves		
Called up share capital	4 & 5	8.0
Share premium account	5	-
Profit and loss reserve	5	3,531.6
Total shareholder's funds	5	<u>3,539.6</u>

No profit and loss account has been prepared as the Company has not traded during the period

These financial statements have been prepared for the purposes of constituting initial accounts for approving a distribution under section 839(5) of the Companies Act 2006

These financial statements were approved by the Board and authorised for issue on 2 May 2014.



S M Howard
Director
2 May 2014

Notes 1 to 11 form an integral part of these financial statements.

1 Accounting policies

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with applicable United Kingdom Generally Accepted Accounting Practice and Section 839(5) of the Companies Act 2006 connection with the reduction in share premium and establishment of distributable reserves

The Company has taken advantage of the exemption under the Companies Act 2006 s 400 not to prepare and deliver group financial statements as it is a wholly owned subsidiary of the ultimate holding company, Acromas Holdings Limited. As such, these financial statements show only the results of the individual company and not the group

The significant accounting policies adopted are described below

Investment in subsidiaries

Investments in subsidiaries are accounted for at the lower of cost and net realisable value

Cash flow statement

The Directors have taken advantage of the exemption available under FRS 1 (Cash flow statements) of the requirement to prepare a cash flow statement as a consolidated cash flow statement has been presented in the financial statements of the ultimate parent undertaking, Acromas Holdings Limited

Related party transactions

The Company has taken advantage of the exemption within FRS 8 (Related party disclosures) in not disclosing transactions with other entities in the Acromas group of companies

2 Directors' remuneration

The Directors of the Company during the period were also directors of other group companies under Acromas Holdings Limited (the ultimate parent undertaking). The Directors' remuneration for this period was paid by Saga Group Limited, a subsidiary undertaking. The Directors do not believe it is practicable to apportion this amount between their services as Directors of the Company and their services as Directors of other group companies

The total aggregated Directors remuneration for the period from incorporation to 2 May 2014 is £1,564,000

SAGAPLC**Notes to the Financial Statements as at 2 May 2014****3 Investment in subsidiaries**

	2 May 2014
Cost	£'m
At incorporation - 5 December 2013	-
Additions	3,539.6
At 2 May 2014	<u>3,539.6</u>

On 4 March 2014, the Company acquired a 100% holding in the shares of Saga Mid Co Limited for a total cost of £3,539.6m via a share for share exchange. In settlement of this transaction, the Company issued 2 shares with a nominal value of £1 each to Acromas Bid Co Limited.

The principal operating subsidiary undertakings of Saga plc, all of which are wholly owned are listed below. All of the principal subsidiary undertakings of Saga plc are indirectly held by the Company, with the exception of Saga Mid Co Limited, which is directly held.

	Country of registration	Nature of business
<u>Subsidiary undertakings</u>		
Saga Mid Co Limited	England	Holding company
Saga Leisure Limited	England	Holding company
Saga Group Limited	England	Holding company
Saga Services Limited	England	Financial services
Acromas Insurance Company Limited	Gibraltar	Insurance underwriting
CHMC Limited	England	Motor accident management
Direct Choice Insurance Services Limited	England	Insurance services
Acromas Financial Services Limited	England	Regulated investment products
Acromas Holidays Limited	England	Tour Operating
Acromas Shipping Limited	England	Cruising
Nestor Healthcare Group Limited	England	Holding company
Nestor Primicare Services Limited	England	Primary and social care
Allied Healthcare International LLC	USA	Holding company
Allied Healthcare Group Limited	England	Primary and social care
Saga Publishing Limited	England	Publishing

SAGA PLC**Notes to the Financial Statements as at 2 May 2014****4 Called up share capital**

Allotted, called-up and fully paid	Number	Ordinary Shares		Value £
		Nominal Value £	Nominal Value £	
On incorporation - 5 December 2013	1	1.00	-	1
Issue of Shares - 4 March 2014	2	1.00	-	2
Bonus issue allotment - 1 May 2014	7,999,997	1.00	-	7,999,997
	8,000,000	1.00	-	8,000,000
Sub-division of Shares - 1 May 2014	(8,000,000)	1.00		(8,000,000)
Sub-division of Shares - 1 May 2014	800,000,000		0.01	8,000,000
As at 2 May 2014	800,000,000		0.01	8,000,000

On incorporation, 5 December 2013, the Company issued a single share with a nominal value of £1 to its Parent Company, Acromas Bid Co Limited. The amount due was settled through an intercompany receivable.

On 4 March 2014, the Company issued to its Parent Company, Acromas Bid Co Limited, 2 ordinary shares with a nominal value of £1 each as payment for its acquisition of Saga Mid Co Limited. The share premium arising on this transaction was £3,539.6m.

On 1 May 2014, the Company capitalised £7,999,997 from its share premium account and issued 7,999,997 ordinary shares of £1 each by way of a bonus issue. The issued share capital of 8,000,000 ordinary shares of £1 each was then sub-divided into 800,000,000 ordinary shares of £0.01 each.

SAGA PLC**Notes to the Financial Statements as at 2 May 2014****5 Reconciliation of movements in shareholders' funds**

	Called up share capital £'m	Share premium account £'m	Profit and loss reserve £'m	Total shareholders ' funds £'m
Ordinary shares issued on incorporation - 5 December 2013	-	-	-	-
Ordinary shares issued on 4 March 2014	-	3,539.6	-	3,539.6
Bonus issue of ordinary shares on 1 May 2014	8.0	(8.0)	-	-
Capital reduction of ordinary shares on 1 May 2014	-	(3,531.6)	3,531.6	-
At 2 May 2014	<u>8.0</u>	<u>-</u>	<u>3,531.6</u>	<u>3,539.6</u>

The issues of ordinary shares on 5 December 2013 and 4 March 2014, and the bonus issue of shares on 1 May 2014 are discussed in Note 4

On 1 May 2014, the Company capitalised £7,999,997 from its share premium account and issued 7,999,997 ordinary shares of £1 each by way of a bonus issue. The remaining share premium account was cancelled through a capital reduction for the purpose of creating distributable profit and loss reserves. As a result the entire profit and loss reserve at the balance sheet date is distributable

6 Ultimate parent undertaking

The immediate parent undertaking is Acromas Bid Co Limited, a company which is registered in England and Wales. The Company is wholly owned by Acromas Bid Co Limited

The financial statements of the Company have been consolidated in the group financial statements of Acromas Holdings Limited (the ultimate parent undertaking), which is registered in England and Wales

7 Ultimate controlling party

The Directors considers the ultimate controlling party to be funds advised by Charterhouse General Partners, CVC Capital Partners and Permira Advisers acting in concert



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OUR REF OL / ML
YOUR REF
CLIENT MATTER NO 163176 - 0001

By hand

2 May 2014

Dear Sir/Madam

DECLARATION OF DIVIDEND BY SAGA PLC (8804263)

We enclose the initial accounts in compliance with section 839 of Companies Act 2006 in connection with the declaration of a dividend by the company to its sole member Acromas Bid Co Limited

We would be grateful if you would kindly acknowledge safe receipt of this letter and its enclosures by stamping the enclosed copy of this letter and returning it to Maxi Leibfried, who has delivered this letter and its contents by hand

Please do not hesitate to contact me on the details above if you require any further information or have any questions in relation to this filing.

Yours faithfully

Maxi Leibfried

FRIDAY

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