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**THE BRITISH INDIAN TEA COMPANY LIMITED**

**REPORT AND ACCOUNTS**

**1996**



# THE BRITISH INDIAN TEA COMPANY LIMITED

Incorporated 1863

## SHARE CAPITAL

Authorised		Issued
£20,000	In 3.5% cumulative preference shares of £5 each	£16,500
180,000	In ordinary shares of £1 each	170,310
<u>£200,000</u>		<u>£186,810</u>

Directors P.A. LEGGATT, M.B.E. (Chairman)  
P.E. HILL, F.C.I.S.  
A.K. MATHUR, F.C.A.

Secretary P.E. HILL, F.C.I.S.

Auditors MOORE STEPHENS  
ST. PAUL'S HOUSE,  
WARWICK LANE,  
LONDON EC4P 4BN

Registered Office WROTHAM PLACE,  
WROTHAM,  
SEVENOAKS,  
KENT TN15 7AE

Registered Number 687C

# THE BRITISH INDIAN TEA COMPANY LIMITED

## NOTICE OF MEETING

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NOTICE IS HEREBY GIVEN that the one hundred and thirty-fourth annual general meeting of The British Indian Tea Company Limited will be held at Wrotham Place, Wrotham, Sevenoaks, Kent, TN15 7AE on Friday, 11th April 1997 at 10.10 a.m. for the following purposes:-

1. To receive and adopt the directors' report and statement of accounts for the year ended 31st December 1996
2. To declare an ordinary dividend.
3. To re-elect a director
4. To re-appoint the auditors and authorise the directors to fix their remuneration

By Order of the Board

P.E. HILL

Secretary

Wrotham Place,  
Wrotham,  
Sevenoaks,  
Kent, TN15 7AE.

11th April 1997

A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him and such proxy need not be a member of the company.

# THE BRITISH INDIAN TEA COMPANY LIMITED

## REPORT OF THE DIRECTORS

The directors submit to the members their report together with the accounts for the year ended 31st December 1996.

ACCOUNTS	1996	1995
Profit on ordinary activities before taxation	£31,229	£29,443
Profit on ordinary activities after taxation	£26,367	£24,893
Preference Dividends	577	577
Dividend proposed	25,000	23,000
	£25,577	£23,577
Retained profit for the year	£790	£1,316

## PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity is that of an investment holding company.

The investment consists of shares in Stewart Holl (India) Ltd., a company incorporated in India and which operates tea estates in that country. The estates are operating profitably and the dividends accrued from this investment have remained satisfactory.

## DIRECTORS

### Board

The present board is shown on page one.

Mr. P.E. Hill retires by rotation and, being eligible, offers himself for re-election.


### Shareholdings

Neither at the end of the year, nor at any time during the year, has any director held a beneficial interest in any shares of the company.

## AUDITORS

Moore Stephens have expressed their willingness to continue as auditors of the Company and a resolution proposing their re-appointment and empowering the directors to fix their remuneration will be put before the annual general meeting.

By Order of the Board

 P.E. HILL  
Secretary

11th April 1997

# THE BRITISH INDIAN TEA COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1996

	Notes	1996 £	1995 £
Investment income			
Unlisted - group		32,412	30,332
Administrative expenses		418	418
Exchange loss		765	471
Profit on ordinary activities before taxation	2	31,229	29,443
Taxation on ordinary activities	4	4,862	4,550
Profit on ordinary activities after taxation		26,367	24,893
Dividends			
Preference		577	577
Ordinary - proposed		25,000	23,000
		25,577	23,577
Retained profit for the year	8	£790	£1,316

## RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

for the year ended 31st December 1996

	1996 £	1995 £
Profit for the year	26,367	24,893
Dividends	25,577	23,577
Retained profit for the year	790	1,316
Currency translation differences on foreign currency net investments	( 906 )	( 930 )
Net movement in shareholders' funds	( 116 )	386
Opening shareholders' funds	195,482	195,096
Closing shareholders' funds	£195,366	£195,482

There are no recognised gains or losses other than those included in the above.

# THE BRITISH INDIAN TEA COMPANY LIMITED

## BALANCE SHEET

as at 31st December 1996

	Notes	1996	1995
		£	£
<b>FIXED ASSETS</b>			
Investments	5	52,538	52,538
<b>CURRENT ASSETS</b>			
Debtors: Amounts due from group companies		168,805	166,921
<b>CURRENT LIABILITIES</b>			
Creditors: Amounts falling due within one year	6	<u>25,977</u>	<u>23,977</u>
<b>NET CURRENT ASSETS</b>		<u>142,828</u>	<u>142,944</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>£195,366</u>	<u>£195,482</u>
<b>EQUITY CAPITAL AND RESERVES</b>			
Called up share capital	7	170,310	170,310
Profit and Loss account	8	<u>8,556</u>	<u>8,672</u>
		£178,866	£178,982
<b>NON-EQUITY CAPITAL AND RESERVES</b>			
Preference shares	7	<u>16,500</u>	<u>16,500</u>
		<u>£195,366</u>	<u>£195,482</u>

Approved on 11th April 1997 by the board of directors  
and signed on their behalf by:



P.A. LEGGATT  
Director

# THE BRITISH INDIAN TEA COMPANY LIMITED

## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

#### a) Basis of Accounting

The accounts are prepared on the historical cost basis of accounting and are in accordance with applicable accounting standards.

#### b) Rate of exchange

The Indian exchange rate has been taken at Rs. 61.31 = £1 (1995 Rs.54.595 = £1). Long-term investments are translated at the rate applicable at the date of acquisition. Adjustments arising on translation of the net foreign currency investments are dealt with in the profit and loss account reserve. Realised exchange gains or losses are dealt with in the profit and loss account.

### 2. PROFIT ON ORDINARY ACTIVITIES

#### BEFORE TAXATION:

	1996	1995
	£	£
The profit on ordinary activities before taxation is arrived at after charging:		
Remuneration of the auditors	£400	£400
	<u>£400</u>	<u>£400</u>

### 3. DIRECTORS

The number of directors whose emoluments fell in the undernoted bracket was:

Nil to £5,000	3	3
The emoluments of the Chairman were	Nil	Nil

Emoluments waived:

Number of directors concerned	3	3
Amount	959	£922
	<u>959</u>	<u>£922</u>

### 4. TAXATION

U.K. Corporation tax	17,632	14,871
Less double taxation relief	( 17,632 )	( 14,871 )
	<u>-</u>	<u>-</u>
Indian taxation:		
Current year	4,862	4,550
	<u>£4,862</u>	<u>£4,550</u>

# THE BRITISH INDIAN TEA COMPANY LIMITED

## NOTES TO THE ACCOUNTS (continued)

### 5. FIXED ASSET INVESTMENTS

The company owns 13.80% of the nominal value of the issued shares of Stewart Holl (India) Limited, incorporated in India.

	1996 £	1995 £
Shares at cost at 1st January 1978	<u>£52,538</u>	<u>£52,538</u>
The principal country of operation is India.		

### 6. CREDITORS

Amounts falling due within one year:

Other creditors	400	400
Dividend	<u>25,577</u>	<u>23,577</u>
	<u>£25,977</u>	<u>£23,977</u>

### 7. SHARE CAPITAL

Authorised		
4,000 3.5% cumulative preference shares of £5 each	20,000	20,000
180,000 ordinary shares of £1 each	<u>180,000</u>	<u>180,000</u>
	<u>£200,000</u>	<u>£200,000</u>
Allotted, called up and fully paid:		
3,300 3.5% cumulative preference shares of £5 each	16,500	16,500
170,310 ordinary shares of £1 each	<u>170,310</u>	<u>170,310</u>
	<u>£186,810</u>	<u>£186,810</u>

### 8. PROFIT AND LOSS ACCOUNT

At beginning of year	8,672	8,286
Exchange (loss) arising on translation of net current assets	( 906 )	( 930 )
Retained profit for the year	<u>790</u>	<u>1,316</u>
At end of year	<u>£8,556</u>	<u>£8,672</u>

### 9. PARENT COMPANY

The parent company is Alex Lawrie & Co Limited (a subsidiary of Lawrie Group Plc) and the ultimate parent company is Camellia Plc. Accounts of all the companies are filed with the Registrar of Companies, Companies House, Crown Way, Cardiff CF4 3UZ.



# THE BRITISH INDIAN TEA COMPANY LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES AND AUDITORS' REPORT

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the financial year. The directors consider that in preparing the accounts, the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. In addition the directors confirm that the going concern basis is appropriate and all applicable accounting standards have been followed.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985. The directors also have responsibility for safeguarding the assets of the company and for the prevention and detection of fraud and other irregularities.

### AUDITORS' REPORT

to the members of The British Indian Tea Company Limited

We have audited the accounts on pages four to seven which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described above, the directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

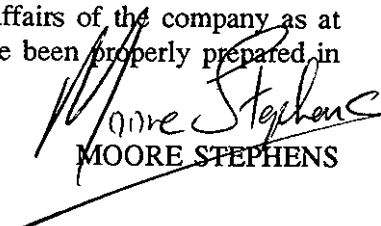
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31st December 1996 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MOORE STEPHENS

Chartered Accountants  
and Registered Auditors

11th April 1997