

THE HARMUTTY TEA COMPANY LIMITED

REPORT AND ACCOUNTS

1999



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THE HARMUTTY TEA COMPANY LIMITED

Incorporated 1926

SHARE CAPITAL

Authorised
£90,000

In shares of £1 each

Issued
£86,280

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 215870

THE HARMUTTY TEA COMPANY LIMITED

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the seventy-fourth annual general meeting of The Harmutty Tea Company Limited will be held at Wrotham Place, Wrotham, Sevenoaks, Kent TN15 7AE on Tuesday, 11th April 2000 at 11.10 a.m. for the following purposes:-

1. To receive and adopt the directors' report and statement of accounts for the year ended 31st December 1999
2. To declare a 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 2000

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 HARMUTTY 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 1999

ACCOUNTS	1999	1998
Profit on ordinary activities before taxation	<u>£100,632</u>	<u>£96,176</u>
Profit on ordinary activities after taxation	<u>£93,485</u>	<u>£96,176</u>
Dividend Proposed	<u>£93,000</u>	<u>£95,000</u>
Retained profit for the year	<u>£485</u>	<u>£1,176</u>

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company 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.


The following director is interested in the undernoted holdings of ordinary shares in Linton Park Plc:

	1 st January 1999	31 st December 1999
P.E. Hill	4,000	9,000

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 2000

THE HARMUTTY TEA COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1999

		1999 £	1998 £
Investment income	Notes		
Unlisted – group		98,911	98,127
Administrative expenses		(421)	(415)
Exchange gain (loss)		2,142	(1,536)
Profit on ordinary activities before taxation	2	100,632	96,176
Taxation on profit on ordinary activities	3	7,147	-
Profit on ordinary activities after taxation		93,485	96,176
Dividend		93,000	95,000
Retained profit for the year	8	£485	£1,176

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

for the year ended 31st December 1999

	1999 £	1998 £
Profit for the year	93,485	96,176
Dividend	93,000	95,000
Retained profit for the year	485	1,176
Currency translation differences on foreign currency net investments	26	(324)
Net movement in shareholders' funds	511	852
Opening shareholders' funds	180,374	179,522
Closing shareholders' funds	£180,885	£180,374

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

THE HARMUTTY TEA COMPANY LIMITED

BALANCE SHEET

as at 31st December 1999

	Notes	£	1999 £	£	1998 £
FIXED ASSETS					
Investments	4		68,782		68,782
CURRENT ASSETS					
Debtors: Amounts due from group companies		208,469		206,992	
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	5	93,400		95,400	
NET CURRENT ASSETS			115,069		111,592
NET ASSETS LESS CURRENT LIABILITIES			183,851		180,374
Provision for liabilities and charges	6		2,966		-
NET ASSETS			<u>£180,885</u>		<u>£180,374</u>
EQUITY CAPITAL AND RESERVES					
Called up share capital	7		86,280		86,280
Profit and loss account	8		94,605		94,094
			<u>£180,885</u>		<u>£180,374</u>

Approved on 11th April 2000 by the board of directors
and signed on their behalf by:



A.K. MATHUR
Director

THE HARMUTTY 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.70.14 = £1 (1998 Rs.70.70 = £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:

1999

1998

The profit on ordinary activities before taxation is arrived at after charging:

Auditor's remuneration

£400

£400

3. TAXATION

UK Corporation taxation

41,491

43,957

Double taxation relief

(37,310)

(43,957)

4,181

-

Deferred taxation

2,966

-

£7,147

£ Nil

4. FIXED ASSET INVESTMENTS

The company owns 18.06% of the nominal value of the issued shares of Stewart Holl (India) Limited, incorporated in India.

1999

1998

£

£

Shares at cost at 1st January 1978

£68,782

£68,782

The principal country of operation is India.

THE HARMUTTY TEA COMPANY LIMITED

NOTES TO THE ACCOUNTS (continued)

	1999 £	1998 £
5. CREDITORS		
Amounts falling due within one year:		
Dividend	93,000	95,000
Other creditors	<u>400</u>	<u>400</u>
	<u>£93,400</u>	<u>£95,400</u>
6. PROVISION FOR LIABILITIES AND CHARGES		
Deferred taxation		
UK corporation tax in excess of double taxation relief on dividends receivable in 2000	<u>£2,966</u>	<u>£Nil</u>
7. SHARE CAPITAL		
Authorised:		
Shares of £1 each	<u>£90,000</u>	<u>£90,000</u>
Allotted, called up and fully paid		
Shares of £1 each	<u>£86,280</u>	<u>£86,280</u>
8. PROFIT AND LOSS ACCOUNT		
At 1 st January	£94,094	93,242
Exchange gain (loss) arising on translation of net foreign currency investments	26	(324)
Retained profit for the year	<u>485</u>	<u>1,176</u>
At 31 st December	<u>£94,605</u>	<u>£94,094</u>
9. PARENT COMPANY		

The parent company is Alex Lawrie & Company Limited (a subsidiary of Lawrie Group Plc) and the ultimate parent company is Camellia Plc. Accounts of both companies are filed with the Registrar of Companies, Companies House, Crown Way, Cardiff CF14 3UZ.

THE HARMUTTY TEA COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES AND AUDITORS' REPORT

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 Harmutty 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.

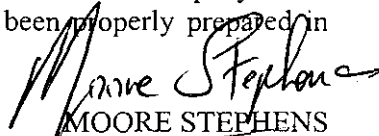
Basis of opinion

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 1999 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 2000