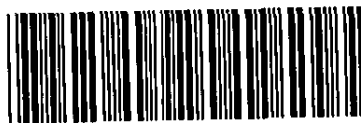


SETHIA LONDON LIMITED
DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

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COMPANIES HOUSE

BOYDELL & CO
Chartered Accountants
89 Chiswick High Road
London
W4 2EF

Company number 884903

SETHIA LONDON LIMITED(COMPANY NUMBER 884903)DIRECTORS REPORT

The directors submit their report with the financial statements of the company for the year ended 31 July 2013

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £2,733,074 (2012 profit of £1,999,895)
No dividend was paid in the year (2012 £nil)

PRINCIPAL ACTIVITIES

The company is a wholly owned subsidiary of N Sethia Group Limited

The principal activities of the company are acting as commission agents, trading in commodities and goods, commodity futures, shares, currencies and exporting. There have been no significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

BUSINESS REVIEW

As shown in the company's profit and loss account on page 6, the company's turnover decreased by 26.9% over the prior year, whilst operating losses incurred were £5.8m due, principally, to the decreased profitability of the commodities trading division as a result in the large and unexpected fall in the value of gold during the year. The directors hope to recover some of these losses in the next trading year.

The balance sheet on page 8 of the financial statements shows that the company's financial position at the year-end is, in net assets, 23.1% weaker than in the prior year, whereas in net cash terms (including overdrafts), the company has 300% more net cash than at 31 July 2012. This is largely explained by the company's reduction in £8.6m of current asset investments held at the year end, and a reduction in bank overdrafts by £3.9m. Details of amounts owed by and to its parent company and fellow group undertakings are shown in notes 10 and 11 on page 17.

There are no significant events since the balance sheet date to report.

Given the nature and size of the company's business, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the company is discussed in the group directors' report and financial statements which do not form part of this report.

SETHIA LONDON LIMITEDDIRECTORS REPORT (CONTINUED)BUSINESS REVIEW (continued)Principal risks and uncertainties

Competitive pressure is a continuing risk for the company and this is managed by providing a value added service to its customers and by maintaining strong relationships with customers

The company sales in Europe are made in Euros and Swiss Francs and it is therefore exposed to the movement in the Euro to Pound and Swiss Franc to Pound exchange rates. This risk is managed by the directors monitoring exchange rate movements on a daily basis.

The company has, in addition, bank overdrafts and is therefore subject to interest rate exposure. This risk is managed by the directors monitoring interest rate fluctuations on a regular basis.

Group risks are discussed in the group directors' report and financial statements which do not form part of this report.

Environment

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the company's activities. Initiatives designed to minimise the company's impact on the environment include recycling and reducing energy consumption.

Employees

Details of the number of employees and related costs can be found in note 3 to the financial statements on page 11.

FUTURE DEVELOPMENTS

The directors consider that 2013/2014 will continue to be another year of gradually improving trading conditions. Their aim is to continue to implement the management policies which have been introduced in recent years and which have assisted in successfully overcoming the difficulties and uncertainties experienced in prior years.

DONATIONS

The company made charitable donations totalling £200,000 (2012 £ 300,000) to the N Sethia Foundation Trust, a registered charity that sponsors youth education, medical research and British Heritage.

The company made no political donations (2012 £nil).

SETHIA LONDON LIMITED

DIRECTORS REPORT (CONTINUED)

DIRECTORS AND THEIR INTERESTS

The directors who served during the year, together with and their interests in the ordinary share capital of the holding company were as follows

	2013	2012
N K Sethia – beneficial holding	121,297	121,297
N K Sethia – non-beneficial holding	981,403	981,403
R Sethia	-	-
J P S Booth	-	-

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to

- Select suitable accounting policies and then to apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which 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.

SETHIA LONDON LIMITEDDIRECTORS REPORT (CONTINUED)DIRECTORS RESPONSIBILITIES (continued)

The directors, or such persons that are directors at the time when the report is approved, attest that

- a) so far as the directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- b) each director has taken all the steps that he ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Boydell & Co, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

By order of the board

Anvao Jain

A JAIN
Secretary

25th April 2014

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF

SETHIA LONDON LIMITED

We have audited the financial statements of Sethia London Limited for the year ended 31 July 2013 which comprise Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2013 and of the its 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.

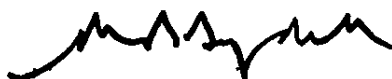
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent 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.



Malcolm Barry Boydell (Senior Statutory Auditor)
For and on behalf of
Boydell & Co
Chartered Accountants and Statutory Auditors
89 Chiswick High Road
London W4 2EF

30 April 2014

SETHIA LONDON LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2013

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
TURNOVER			
- continuing operations	(2)	35,436,245	48,461,883
Cost of sales		(39,046,275)	(45,479,328)
		<hr/>	<hr/>
Gross (loss)/profit	(2)	(3,610,030)	2,982,555
Selling and distribution costs	(201,463)	(406,038)	
Establishment and administrative expenses	(1,950,581)	(1,732,493)	
		<hr/>	<hr/>
		(2,152,044)	(2,138,531)
		<hr/>	<hr/>
OPERATING (LOSS)/PROFIT			
- continuing operations	(3)	(5,762,074)	844,024
Interest receivable	(4)	538,109	533,354
Interest payable and similar charges	(5)	(108,773)	(82,081)
Income from investments		1,656,064	1,069,483
(Loss)/profit on disposal of investments		(155,809)	92,293
Translation differences on exchange	(6)	777,195	(134,964)
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,055,288)	2,322,109
Tax recoverable/(payable) on ordinary activities	(7)	322,214	(322,214)
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		£ (2,733,074)	£ 1,999,895
		=====	=====

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial periods

The notes on pages 9 to 19 form an integral part of these financial statements

SETHIA LONDON LIMITEDSTATEMENT OF TOTAL RECOGNISED GAINS AND LOSSESFOR THE YEAR ENDED 31 JULY 2013

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
(Loss)/profit for the year after taxation		(2,733,074)	1,999,895
Capital exchange differences		89,233	165,602
Unrealised losses on current asset investments		23,944	(756,171)
		<hr/>	<hr/>
Total recognised losses and gains relating to the year		(2,619,897)	1,409,326
		<hr/>	<hr/>
Total recognised losses and gains recognised since last report		£ (2,619,897)	£ 1,409,326
		=====	=====

The notes on pages 9 to 19 form an integral part of these financial statements


SETHIA LONDON LIMITED

BALANCE SHEET

AT 31 JULY 2013

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
FIXED ASSETS			
Tangible assets	(8)	231,857	253,801
Investments	(9)	8,302,808	4,963,615
		<u>8,534,665</u>	<u>5,217,416</u>
CURRENT ASSETS			
Debtors	(10)	3,127,635	5,000,745
Investments	(9)	2,566,623	11,208,866
Cash at bank and in hand		8,280,968	7,879,193
		<u>13,975,226</u>	<u>24,088,804</u>
CREDITORS amounts falling due within one year	(11)	(13,712,881)	(17,865,369)
NET CURRENT ASSETS		<u>262,345</u>	<u>6,223,435</u>
TOTAL NET ASSETS		<u>8,797,010</u>	<u>11,440,851</u>
CREDITORS amounts falling due after more than one year	(12)	(-)	(-)
TOTAL ASSETS LESS TOTAL LIABILITIES		<u>£ 8,797,010</u> =====	<u>£ 11,440,851</u> =====
CAPITAL AND RESERVES (all attributable to equity interests)			
Called up share capital	(14)	1,200,000	1,200,000
Profit and loss account	(15)	6,497,956	9,231,030
Exchange reserve	(15)	1,099,054	1,009,821
		<u>£ 8,797,010</u> =====	<u>£ 11,440,851</u> =====

Approved by the board on 25th April 2014 and signed on its behalf by


N K SETHIA
Director

The notes on pages 9 to 19 form an integral part of these financial statements

SETHIA LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2013

1 ACCOUNTING POLICIES

a) Accounting convention

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost convention. Under Financial Reporting Standard 1 paragraph 8(c) the company is exempt from the requirement to publish a cash flow statement, as it is a wholly owned subsidiary of an UK undertaking.

b) Turnover

Turnover is attributable to trading in commodities and goods, commodity futures, shares, currencies, exporting and commission receivable (stated net of VAT). The income from trading in the various items is recognised once realised, the income from commissions and management fees is recognised on a receivable basis.

c) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, at the following rates:

Freehold building	- 2% pa straight line basis
Leasehold land and buildings	- over the term of the lease
Furniture and equipment	- 25% pa reducing instalment basis
Motor vehicles	- 25% pa reducing instalment basis

d) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date except for certain non-monetary assets, which are translated at the historic sterling equivalent. Transactions in foreign currencies are recorded at the average rate for the year.

The differences arising on the translation to sterling (using the closing rate of exchange) of overseas net assets at the beginning of the year, after taking into account related foreign currency borrowings, are taken to reserves. Other differences in currency transactions are taken to profit and loss account.

e) Assets acquired by hire purchase or lease

Such assets are capitalised in accordance with Statement of Standard Accounting Practice 21 and are depreciated over their useful lives. Finance charges are calculated on the straight line basis and are charged to profit and loss account.

SETHIA LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

1 ACCOUNTING POLICIES (continued)

f) Deferred taxation

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for financial statements purposes and their treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may crystallise.

2 TURNOVER

The turnover and pre-tax profit is attributable to trading in commodities and goods, commodity futures, shares, currencies, exporting and commission receivable (stated net of VAT). The turnover is attributable to continuing operations.

An analysis of turnover by geographical market is given below:

	<u>2013</u> £'000	<u>2012</u> £'000
Europe (excluding UK)	2,261	1,080
United Kingdom	33,175	47,382
	<u>£ 35,436</u> =====	<u>£ 48,462</u> =====

Analysis of turnover and gross profit by business activity

	<u>Turnover</u> £'000 <u>2013</u>	<u>Turnover</u> £'000 <u>2012</u>	<u>Gross</u> <u>(loss)/profit</u> £'000 <u>2013</u>	<u>Gross</u> <u>profit/(loss)</u> £'000 <u>2012</u>
Futures trading	32,795	46,782	(5,179)	1,647
Commissions receivable	2,261	1,080	1,329	1,536
Management fees	380	600	240	(200)
	<u>£ 35,436</u> =====	<u>£ 48,462</u> =====	<u>£ (3,610)</u> =====	<u>£ 2,983</u> =====

SETHIA LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

3 OPERATING PROFIT

This is stated after charging	<u>2013</u> £	<u>2012</u> £
Directors' remuneration	157,000	173,086
Auditors' remuneration current year		
Audit fees	29,235	26,850
Accounting fees	2,500	2,500
Taxation fees	500	500
Depreciation	21,944	28,330
	=====	=====

The emoluments of the highest-paid director, excluding pension contributions, were £100,000 (2012 £100,000)

The emoluments of the other directors fell within the following ranges -

	<u>2013</u>	<u>2012</u>
£ 0 - £ 5,000	1	1
£ 55,001 - £ 60,000	1	1

	<u>2013</u>	<u>2012</u>
Employees (including directors)	No	No

Average number of people employed during the year

Sales	3	1
Administration	24	17
Management	5	6
	-----	-----
	32	24
	=====	=====

Cost in respect of these employees

Salaries	1,024,380	713,467
Social security costs	110,471	84,632
Other benefits	6,984	7,400
	-----	-----
	£ 1,141,835	£ 805,499
	=====	=====

Of these employees, 8 (2012 8) were employed on the business of the company's sixty percent-owned subsidiary, Newby Teas (UK) Limited

SETHIA LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

4 <u>INTEREST RECEIVABLE</u>	<u>2013</u>	<u>2012</u>
Bank deposit interest	533,331	530,118
Other interest receivable	4,778	3,236
	<u>£ 538,109</u>	<u>£ 533,354</u>
	=====	=====

5 <u>INTEREST PAYABLE AND SIMILAR CHARGES</u>	<u>2013</u>	<u>2012</u>
On bank loans and overdrafts	107,889	73,518
On other loans	884	8,563
	<u>£ 108,773</u>	<u>£ 82,081</u>
	=====	=====

Included in interest on other loans is £884 (2012 £3,536) in respect of finance charges on finance leases and hire-purchase agreements

6 <u>TRANSLATION DIFFERENCES ON EXCHANGE</u>	<u>2013</u>	<u>2012</u>
Translation differences on exchange		
Retranslation of opening trading balances	89,233	165,602
Translation differences during the year	687,962	(300,566)
	<u>£ 777,195</u>	<u>(134,964)</u>
	=====	=====

7 <u>TAXATION ON ORDINARY ACTIVITIES</u>	<u>2013</u>	<u>2012</u>
--	-------------	-------------

(a) Tax on (loss)/profit on ordinary activities

UK corporation tax (recoverable)/payable (2012 26% and 24%)	(322,214)	322,214
	<u>£ (322,214)</u>	<u>£ 322,214</u>
	=====	=====

SETHIA LONDON LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED 31 JULY 20137 TAX ON ORDINARY ACTIVITIES (continued)(b) Factors affecting the current tax position

The factors are reconciled below

	<u>2013</u>	<u>2012</u>
(Loss)/profit on ordinary activities before taxation	£ (3,055,288) =====	£ 2,322,109 =====
(Loss)/profit on ordinary activities multiplied by tax rate(s)	(-)	587,494
Expenses not deductible for tax purposes	2,291	1,388
Depreciation	5,201	7,177
Capital allowances	(2,819)	(3,638)
Loss/(profit) on disposal of investments	36,927	(23,381)
UK and overseas dividends received	(392,487)	(250,936)
Other	28,673	4,110
Total current tax (note 7(a))	£ (322,214) =====	£ 322,214 =====

(c) Factors that may affect future tax charges

The company expects to be able to claim capital allowances that are less than depreciation in future years. After carrying back losses to 2012, the company has tax losses of £1,243,606 (2012: £nil) that are available for offset against future taxable profits or available for group relief.

No deferred tax is recognised on the unremitted earnings of overseas subsidiaries, as the company has no liability to additional taxation should such amounts be remitted due to the availability of double taxation relief.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

8 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Furniture and Equipment	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 August 2012	207,355	395,166	277,240	879,761
Disposals	-	-	(59,992)	(59,992)
At 31 July 2013	207,355	395,166	217,248	819,769
Depreciation				
At 1 August 2012	30,179	368,845	226,936	625,960
Charge for year	2,788	6,580	12,576	21,944
Disposals	-	-	(59,992)	(59,992)
At 31 July 2013	32,967	375,425	179,520	587,912
Net Book Value				
At 31 July 2013	£ 174,388	£ 19,741	£ 37,728	£ 231,857
At 31 July 2012	£ 177,176	£ 26,321	£ 50,304	£ 253,801

Depreciation has not been charged on freehold land, which is stated at an estimated cost of £67,940 (2012: £67,940). The company owns two freehold properties in Russia and it has been impracticable to have these properties revalued. The directors are satisfied that their aggregate value at 31 July 2013 was not less than their net book value shown in the financial statements.

Included in the total net book value of tangible fixed assets held at 31 July 2013 were motor vehicles totalling £nil (2012: £50,304) in respect of assets held under finance leases and hire purchase contracts.

9a FIXED ASSET INVESTMENTS

At cost less provision for diminution in value

At 1 August 2012	4,963,615
Additions	3,314,193
Reversal of provision for permanent diminution in value	25,000
	<hr/>
31 July 2013	£ 8,302,808
	=====

During the year, the company incorporated two subsidiaries Newby Teas A B and Newby Teas South East Asia PTE. Additionally, the company invested a further £2.6m in antiques for its tea museum.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

9a FIXED ASSET INVESTMENTS (continued)

<u>Summary</u>	<u>2013</u>	<u>2012</u>
Unlisted investments	8,302,808	4,963,615
Listed investments	-	-
Total investments	<u>£ 8,302,808</u>	<u>£ 4,963,615</u>
	=====	=====

The company holds more than 10% of the equity of the following companies

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Holding (shares)</u>	<u>Propn held</u>	<u>Nature of business</u>
Pashupati Securities Mauritius Ltd	Mauritius	11,030,002	100%	Investment company
Newby Teas (UK) Ltd	UK	600,000	60%	Tea merchants
Newby Teas Overseas PVT Ltd	India	3,563,924	100% (*)	Tea packing
Newby Teas Nordic A S	Norway	4,790	99%	Tea merchants
Newby Teas Suisse S A	Switzerland	300	100%	Tea merchants
Newby S E Asia Pte Ltd (**)	Singapore	900,000	75%	Tea merchants
Newby Teas A.B (**)	Sweden	2,000	100%	Tea merchants
Progress Nordic A S (**)	Norway	500	50%	Property investors
Intracs Ltd	UK	7,000	70%	Consultancy

(*) 70.3% held by a wholly-owned subsidiary undertaking

(**) The companies were incorporated on 7 March 2013, 12 February 2013 and 20 March 2013 respectively, and commenced trading on shortly thereafter

The company is exempted from the requirement to prepare group accounts because it is itself a subsidiary of N Sethia Group Limited, a company incorporated in England and Wales, which prepares and files consolidated accounts

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

9b CURRENT ASSET INVESTMENTS

At cost less provision for diminution in value

At 1 August 2012	11,208,866
Additions	-
Disposals	(8,896,700)
Provision for diminution in value	(-)
Exchange movement	254,457
31 July 2013	<u>£ 2,566,623</u> =====

<u>Summary</u>	<u>2013</u>	<u>2012</u>
Unlisted investments	-	-
Listed investments (see below)	2,566,623	11,208,866
Total investments	<u>£ 2,566,623</u> =====	<u>£ 11,208,866</u> =====

Listed investments

At 1 August 2012	11,208,866
Additions	-
Disposals	(8,896,700)
Exchange movement	254,457
At 31 July 2013	<u>£ 2,566,623</u> =====

The market value of these investments at 31 July 2013 was £1,834,202 and the taxation liability on the potential gain if sold would be £nil (2012 £9,897,673 and £nil)

SETHIA LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

10 <u>DEBTORS</u>	<u>2013</u>	<u>2012</u>
Trade debtors	920,102	25,534
Amounts owed by group undertakings	1,649,584	4,740,012
Other debtors	1,282	91,265
Prepayments	58,280	13,257
Other taxation – corporation tax	390,976	-
Other taxation – value added tax	107,411	130,677
	<u>£ 3,127,635</u>	<u>£ 5,000,745</u>
	=====	=====

11 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2013</u>	<u>2012</u>
Bank loans and overdrafts	2,547,667	6,467,591
Obligations under finance leases and hire purchase contracts (note 14)	-	6,656
Trade creditors	5,604	45,162
Amounts owed to group undertakings	8,875,533	8,088,616
Corporation tax	-	318,047
Other taxes and social security costs	39,445	29,445
Other creditors	1,395,444	1,338,122
Accruals	849,188	1,571,730
	<u>£ 13,712,881</u>	<u>£ 17,865,369</u>
	=====	=====

The bank loans and overdrafts are secured by a charge on group land and buildings

12 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Amounts repayable by instalments

	<u>2013</u>	<u>2012</u>
Obligations under finance leases and hire purchase contracts (note 13)	-	-
Payable between 2 and 5 years	-	-
	<u>£ -</u>	<u>£ -</u>
	=====	=====

SETHIA LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

13 OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

	<u>2013</u>	<u>2012</u>
Amounts payable		
Within one year	-	7,540
In two to five years	-	-
	<u>-</u>	<u>7,540</u>
Less finance charges allocated to future periods	(-)	(884)
	<u>£ -</u>	<u>£ 6,656</u>
	=====	=====
Finance leases and hire purchase contracts are analysed as follows		
Current obligations (note 11)	-	6,656
Non-current obligations (note 12)	-	-
	<u>£ -</u>	<u>£ 6,656</u>
	=====	=====

14 SHARE CAPITAL

	Authorised		Authorised	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	No	No	£	£
Ordinary shares of £1 each	2,000,000	2,000,000	2,000,000	2,000,000
	=====	=====	=====	=====
	Allotted, called up and fully paid		Allotted, called up and fully paid	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	No	No	£	£
Ordinary shares of £1 each	1,200,000	1,200,000	1,200,000	1,200,000
	=====	=====	=====	=====

15 RESERVES

	Exchange reserve	Profit and loss account
At 1 August 2012	1,009,821	9,231,030
(Loss) for the period after taxation	-	(2,733,074)
Dividends	-	-
Capital exchange differences	89,233	-
At 31 July 2013	<u>£ 1,099,054</u>	<u>£ 6,497,956</u>
	=====	=====

SETHIA LONDON LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED 31 JULY 201316 RECONCILIATION OF MOVEMENT
IN SHAREHOLDERS' FUND

	<u>2013</u>	<u>2012</u>
Attributable to equity interests		
Opening shareholders' funds	11,440,851	9,275,354
(Loss)/profit for the financial year	(2,733,074)	1,999,895
Dividends	-	-
Capital exchange differences	89,233	165,602
Closing shareholders' funds	£ 8,797,010 =====	£ 11,440,851 =====

17 RELATED PARTY TRANSACTIONS

Loans from related parties	Balance at 1 August 2012 £	Balance at 31 July 2013 £	Payments to (Receipts) from related party £	related party £
N K & C D Sethia 1999 Family Settlement Trust	216,657	216,657	-	(-)
N Sethia Foundation	139,289	2,821	200,000	(63,532)
N K Sethia as Trustee of the following settlements for the benefit of				
R R Sethia Settlement	50,749	74,073	-	(23,324)
P R Sethia Settlement	32,049	62,792	-	(30,743)
R Sethia Settlement	12,414	58,820	-	(46,406)

Unpaid interest due but unpaid amounted to £nil (2012 £nil) N K Sethia is a trustee of N Sethia Foundation, a registered charity

18 CAPITAL AND OTHER FINANCIAL COMMITMENTS

As at 31 July 2013 the company had no annual commitments under non-cancellable operating leases and no amounts contracted for but not provided in the financial statements (2012 nil and nil) The company has given a guarantee to a United Kingdom bank of £750,000 (2012 £750,000) covering the liabilities of Newby Teas (UK) Limited, a subsidiary undertaking

20 IMMEDIATE AND ULTIMATE HOLDING COMPANY AND CONTROLLING PARTY

The company's immediate and ultimate holding company is N Sethia Group Limited, a company incorporated in England and Wales

The company's ultimate controlling party is N K Sethia and the Sethia Family Trusts