



**James Finlay International
Holdings Limited
Report &
Financial Statements**

31 December 2014



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JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED

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JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
COMPANY INFORMATION

DIRECTORS

R J Mathison (Chairman)
J M Rutherford
D J Gilmour

SECRETARIES & REGISTERED OFFICE

James Finlay Limited
Swire House
59 Buckingham Gate
London
SW1E 6AJ

Registered in England No 01088739

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors submit their Report and Accounts for the year ended 31 December 2014. The comparatives are for the year ended 31 December 2013.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the Company is that of a holding company. Details of the activities of the subsidiary undertakings are shown on page 11. The Directors do not envisage any change in the nature of the Company's business in the foreseeable future.

RESULTS AND DIVIDENDS

The profit and loss account for the year shows a profit on ordinary activities after taxation of £584,634 (2013: £998,867 profit).

No interim dividend was paid during the year (2013: £634,476). The Directors do not recommend the payment of a dividend (2013: £nil).

On the basis of the Directors' assessment of the Company's financial position and of the enquiries made of the Directors of James Finlay Limited, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

REVIEW OF THE BUSINESS

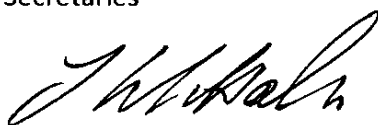
The Company is exempt, by virtue of its size, from the requirement to prepare a strategic review in accordance with the Companies Act 2006.

DIRECTORS

The Directors during the year ended 31 December 2014 and up to the date of this report were as shown on page 2.

By Order of the Board,

James Finlay Limited
Secretaries



London, 29th May 2015

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES TO THE MEMBERS OF JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED

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 they have elected to prepare these financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 of its profit or loss for that period. In preparing the financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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,
- 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
PROFIT AND LOSS ACCOUNT
For year ended 31 December 2014

Registered in England No 01088739

	Notes	2014 £	2013 £
Other income		-	4,487
Administrative expenses		(1,000)	(1,178)
Operating (loss) / profit		<u>(1,000)</u>	<u>3,309</u>
Profit on disposal of other fixed asset investment		-	1,137,724
Income from fixed asset investments		560,500	502,498
Interest receivable and similar income	4	30,591	305
Interest payable and similar charges	5	-	(22)
		<u></u>	<u></u>
Profit on ordinary activities before taxation		590,091	1,643,814
Taxation	3	(5,457)	(644,947)
Profit on ordinary activities after taxation		<u>584,634</u>	<u>998,867</u>

The results stated above are all derived from continuing operations

The notes on pages 8-13 form part of these accounts

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
BALANCE SHEET at 31 December 2014

Registered in England No 01088739

	Note	2014 £	2013 £
FIXED ASSETS			
Investments in subsidiary undertakings	6	51,103,780	31,805,703
		<u>51,103,780</u>	<u>31,805,702</u>
CURRENT ASSETS			
Debtors	7	4,212,829	4,211,174
Cash at bank and in hand		752,339	161,250
		<u>4,965,168</u>	<u>4,372,424</u>
CREDITORS Amounts falling due within one year	8	(269,101)	(262,644)
NET CURRENT ASSETS		<u>4,696,067</u>	<u>4,109,780</u>
NET ASSETS		<u>55,799,847</u>	<u>35,915,482</u>
CAPITAL AND RESERVES			
Called up share capital	9	19,201,002	1,002
Other reserves	10	(108,120)	(207,851)
Profit and loss account	10	36,706,965	36,122,331
SHAREHOLDERS' FUNDS	11	<u>55,799,847</u>	<u>35,915,482</u>

The notes on pages 8-13 form part of these accounts

For the year ended 31 December 2014, the Company was entitled to exemption under section 479A of the Companies Act 2005 ("The Act")

No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of The Act

The Directors acknowledge their responsibility for complying with the requirements of The Act with respect to the Company's accounting records and the preparation of accounts

These accounts were approved by the Board of Directors on 29th May 2015 and were signed on its behalf by


J M Rutherford Director

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 December 2014

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2014	2013
	£	£
Profit attributable to shareholders	584,634	998,867
Unrealised exchange differences	99,731	(88,541)
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	684,365	910,326
	<hr/>	<hr/>

The notes on pages 8-13 form part of these accounts

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

These accounts are prepared under the historical cost convention and in accordance with applicable accounting standards

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own consolidated accounts.

The Company has taken advantage of the exemption in paragraph 3 (c) of Financial Reporting Standard 8 from disclosing transactions with related parties that are part of the John Swire & Sons Limited Group or investees of the Group.

DIVIDENDS

Dividends from overseas subsidiaries are accounted for on a receipts basis and are translated at the exchange rate ruling at the date of the transaction.

TAXATION

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in future or a right to pay less tax in future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the Accounts which are capable of reversal in one or more subsequent periods.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

EXCHANGE

(a) Individual undertakings

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

(b) Foreign exchanges arising on long term loans from group companies are taken directly to reserves.

2. EMPLOYEES AND DIRECTORS

The average weekly number of employees was Nil – and hence there were no staff costs in the year (2013 Nil). No Director received any remuneration from the Company during the year (2013 nil) and there were no disclosable contracts with Directors existing during the year (2013 none).

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE ACCOUNTS (Continued)

3. TAXATION

a)	2014	2013
	£	£
UK corporation tax at 21.5% (2013: 23.25%)	6,666	260,379
Adjustment in respect of prior years – UK Corporation tax	(1,209)	384,568
Current tax charge	<u>5,457</u>	<u>644,947</u>
Deferred tax charge	-	-
Total tax charge	<u>5,457</u>	<u>644,947</u>

An explanation of the reasons why the current tax charge for the year is lower (2013: higher) than the standard rate of corporation tax of 21.5% (2013: 23.25%) is shown below

Profit on ordinary activities before tax	590,091	1,643,814
Profit on ordinary activities at standard corporation tax rate of 21.5% (2013: 23.25%)	126,870	382,187
Effects of		
Income received not taxable	(120,508)	(121,808)
Adjustments to tax in respect of prior years	(1,209)	384,568
Transfer pricing adjustment	304	-
Current tax charge	<u>5,457</u>	<u>644,947</u>

b) Factors that may affect the tax charge in future periods

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and to 20% (effective 1 April 2015) were substantively enacted on 2 July 2013

This will reduce the company's future current tax charge accordingly

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE ACCOUNTS (Continued)

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2014	2013
	£	£
Interest received on bank	-	26
Net exchange gain	30,591	279
	<u>30,591</u>	<u>305</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Interest payable to group undertakings	-	(22)
Net exchange loss	-	-
	<u>-</u>	<u>(22)</u>

6. FIXED ASSETS INVESTMENTS

	2014
	£
<u>Cost</u>	
At 1 January 2014	49,483,066
Exchange differences	138,509
Arising during the year	19,200,000
At 31 December 2014	<u>68,821,575</u>
<u>Provisions</u>	
At 1 January 2014	17,677,363
Exchange differences	40,432
Arising during the year	-
At 31 December 2014	<u>17,717,795</u>
<u>Net Book Value</u>	
At 31 December 2014	<u>51,103,780</u>
At 31 December 2013	<u>31,805,703</u>

During the year, the Company acquired an additional 32,000,000 shares of \$1 each in James Finlay International Inc for £19,200,000 and acquired 2% of Casa Fuentes S A C I F I for £Nil

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE ACCOUNTS (Continued)

6. FIXED ASSETS INVESTMENTS (CONTINUED)

<u>Subsidiary undertakings</u>	Nature of Activities	Incorporated / Registered and Operating in	Type of Holding	Percentage Holding %
Finlay Colombo PLC	Trading, servicing, manufacturing and merchanting	Sri Lanka	Ordinary	97
James Finlay International Inc	Holding Company	U S A	Ordinary	100
Finlay Instant Teas (Pvt) Limited	Dormant	Sri Lanka	Ordinary	100
James Finlay Plantation Holdings (Lanka) Ltd	Holding Company	Sri Lanka	Ordinary	100
Hapugastenne Plantations PLC	Plantations	Sri Lanka	Ordinary	41
Udapussellawa Plantations PLC	Plantations	Sri Lanka	Ordinary	42
Casa Fuentes S A C I F I	Plantations	Argentina	Ordinary	2

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE ACCOUNTS (Continued)

7. DEBTORS

	2014	2013
	£	£
Amounts owed by James Finlay Plantation Holdings (Lanka) Limited	29,278	27,623
Amounts owed by James Finlay Limited	4,183,551	4,183,551
	<u>4,212,829</u>	<u>4,211,174</u>

8. CREDITORS

	2014	2013
	£	£
Corporation Tax	266,101	260,644
Accruals	3,000	2,000
	<u>269,101</u>	<u>262,644</u>

9. SHARE CAPITAL

	2014	2013
	£	£
<i>Called up share capital</i>		
Allotted, issued and fully paid		
At 1 January 2014 (1,002 Ordinary shares of £1 each)	1,002	1,002
Issued during the year (19,200,000 Ordinary shares of £1 each) – (2013 nil)	19,200,000	-
At 31 December 2014	<u>19,201,002</u>	<u>1,002</u>

10. RESERVES

	Profit and loss	Other
	Account	Reserves
	£	£
At 1 January 2014	36,122,331	(207,851)
Profit for the year	584,634	-
Exchange differences	-	99,731
At 31 December 2014	<u>36,706,965</u>	<u>(108,120)</u>

Other reserves represent the foreign currency reserve on translation of foreign currency denominated loans and investments held by the Company

JAMES FINLAY INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE ACCOUNTS (Continued)

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Profit attributable to shareholders	584,634	364,392
Dividends paid	-	-
Share issued	19,200,000	-
Unrealised exchange differences	99,731	(88,541)
	<hr/>	<hr/>
Balance of shareholders' funds at 1 January	35,915,482	35,639,631
	<hr/>	<hr/>
Balance of shareholders' funds at 31 December	55,799,847	35,915,482
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12. ULTIMATE PARENT COMPANY

The Company is a subsidiary undertaking of James Finlay Limited, which is registered in Scotland. The Company's ultimate parent company is John Swire and Sons Limited, which is incorporated in England.

The smallest group in which the results of the company are consolidated is that headed by James Finlay Limited and the largest is that headed by John Swire and Sons Limited. The consolidated accounts of these groups are available to the public and may be obtained from the company secretary at Swire House, 59 Buckingham Gate, London SW1E 6AJ.