

Registration number: 02527386

De La Rue Investments Limited

Annual Report and Financial Statements

for the period from 30 March 2014 to 28 March 2015

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De La Rue Investments Limited
Strategic Report for the period from 30 March 2014 to 28 March 2015

The Directors present their strategic report for the period from 30 March 2014 to 28 March 2015.

Fair review of the business

The Company is a holding company that has, in addition, provided a loan to its immediate parent company, De La Rue Holdings Limited. The Company will continue to monitor its investments and recoverability of the loan.

The Company received no dividends from subsidiary undertakings during the period (2014: £2,600,000).

The profit for the period after taxation was £15,000 (2014: £3,177,000). The Directors made interim dividend payments of £3,400,000 (2014: £5,000,000), however the Directors do not recommend the payment of a final dividend (2014: £nil). The retained deficit for the financial period of £3,385,000 (2014: £1,823,000 deficit) was transferred to reserves.

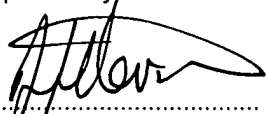
The Directors monitor and manage the performance of each investment against its published financial statements and against the key performance indicators (KPI's) of the De La Rue Group ("the Group") because the Company's Directors believe that analysis using KPI's specifically for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business. Details of the Group's KPI's, which includes the Company are set out in the Strategic Report section on page 15 of the Annual Report of De La Rue plc, which does not form part of this report.

Principal risks and uncertainties

The Company has provided a loan to its immediate parent company, De La Rue Holdings Limited. The risks to the Company are the risk of default on this loan and impairment of the Company's investments.

The key risks facing De La Rue Holdings Limited, its subsidiaries and associate investments are disclosed in the Strategic Report section on pages 21 to 23 of the Annual Report of De La Rue plc, which does not form part of this report.

Approved by the Board on 16 December 2015 and signed on its behalf by:



.....
J F Hermans
Company secretary

Registered Office:
De La Rue House
Jays Close
Viables
Basingstoke
Hampshire
RG22 4BS

De La Rue Investments Limited
Directors' Report for the period from 30 March 2014 to 28 March 2015

The Directors present their report and the financial statements for the period from 30 March 2014 to 28 March 2015.

Directors of the company

The Directors who held office during the period were as follows:

C C Child (resigned 10 August 2015)

E H D Peppiatt

The following Director was appointed after the period end:

J H Sodha (appointed 10 August 2015)

Employees

The Company has no employees (2014: none). The Directors' remuneration is borne by other Group companies. The Company would follow the employment policies of the De La Rue plc Group ("the Group"), details of which are set out in the Responsible Business section on pages 24 to 27 of the Annual Report of De La Rue plc which does not form part of this report.

Going concern

The Directors continue to adopt the going concern basis, as described in Note 1 to the financial statements.


Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

The auditor KPMG LLP is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 16 December 2015 and signed on its behalf by:



J F Hermans
Company secretary

De La Rue Investments Limited
Statement of Directors' Responsibilities
in respect of the Annual Report and the financial statements

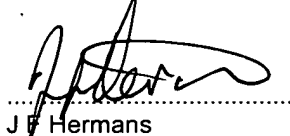
The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 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.

Approved by the Board on 16 December 2015 and signed on its behalf by:



J. F. Hermans
Company secretary

**De La Rue Investments Limited
Independent Auditor's Report
to the Member of De La Rue Investments Limited**

We have audited the financial statements of De La Rue Investments Limited for the period from 30 March 2014 to 28 March 2015, set out on pages 6 to 14. 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 member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 March 2015 and of its profit for the period 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 Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

De La Rue Investments Limited Independent Auditor's Report

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 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.

.....*14/12/15*.....
Ian Bone (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL

18 December 2015

De La Rue Investments Limited
Profit and Loss Account for the period from 30 March 2014 to 28 March 2015

	Note	30 March 2014 to 28 March 2015 £ 000	31 March 2013 to 29 March 2014 £ 000
Administrative expenses		-	629
Operating profit		-	629
Income from shares in group undertakings		-	2,600
Other interest receivable	3	123	67
Interest payable	4	(108)	(118)
Profit on ordinary activities before taxation		15	3,178
Tax on profit on ordinary activities	5	-	-
Profit for the financial period	12	15	3,178

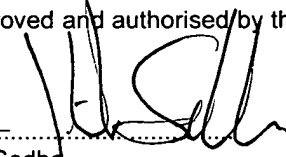
Operating profit derives wholly from continuing operations.

The company has no recognised gains or losses in either period other than the results above.

De La Rue Investments Limited
(Registration number: 02527386)
Balance Sheet as at 28 March 2015

	Note	28 March 2015 £ 000	29 March 2014 £ 000
Fixed assets			
Investments	6	33,383	33,383
Current assets			
Debtors	7	65,914	69,254
Cash at bank and in hand		<u>247</u>	<u>293</u>
		66,161	69,547
Current liabilities			
Creditors: Amounts falling due within one year	8	<u>(55)</u>	<u>(106)</u>
Net current assets		<u>66,106</u>	<u>69,441</u>
Total assets less current liabilities		99,489	102,824
Creditors: Amounts falling due after more than one year	9	<u>(4,350)</u>	<u>(4,300)</u>
Net assets		<u>95,139</u>	<u>98,524</u>
Capital and reserves			
Called up share capital	10	95,000	95,000
Profit and loss account	12	<u>139</u>	<u>3,524</u>
Shareholders' funds	13	<u>95,139</u>	<u>98,524</u>

Approved and authorised by the Board on 16 December 2015 and signed on its behalf by:


 J H Sodha
 Director

De La Rue Investments Limited

Notes to the Financial Statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The accounts have been prepared as at 28 March 2015, being the last Saturday in March. The comparatives for the 2014 financial period are for the period ended 29 March 2014.

Exemption from preparing group accounts

The Company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 and has not prepared group accounts.

These financial statements present information about the Company as an individual undertaking and not about its group. De La Rue Investments Limited and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, De La Rue plc, a company registered in England and Wales.

Exemption from preparing a cash flow statement

The Company is exempt under FRS1 from preparing a cash flow statement as 90% or more of the voting rights are held within the Group.

Going concern

The Company has considerable net assets. As a consequence, after consideration of the credit risk of the loan made to its immediate parent company, the Directors believe that the Company is well placed to manage its business risks successfully.

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

Fixed asset investments

Investments are stated at cost or valuation in the balance sheet, less provision for any impairment in the value of the investment.

De La Rue Investments Limited

Notes to the Financial Statements

1 Accounting policies (continued)

Interest

Interest is recognised in the profit and loss account on an accruals basis.

Taxation

The charge for taxation is based on the profit 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 tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

Foreign currency

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

2 Directors' emoluments and auditors' remuneration

The Directors and all other staff engaged on the company's operations received no fees or other remuneration from the company (2014: £Nil). During the period under review Messrs C C Child and E H D Peppiatt were employed by De La Rue plc. Both were remunerated in respect of their services to the group as a whole by their employing company. Their emoluments are dealt with in that company's financial statements. There are no persons employed by the Company (2014: none).

The auditors' remuneration was borne by another group company.

3 Other interest receivable

	30 March 2014 to 28 March 2015 £ 000	31 March 2013 to 29 March 2014 £ 000
Bank interest receivable	63	7
Interest receivable from group undertakings	60	60
	<u>123</u>	<u>67</u>

4 Interest payable

	30 March 2014 to 28 March 2015 £ 000	31 March 2013 to 29 March 2014 £ 000
Interest on loans from group undertakings	108	118

De La Rue Investments Limited
Notes to the Financial Statements

5 Taxation

Factors affecting current tax charge for the year

The tax on profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK (2014 - lower than the standard rate of corporation tax in the UK) of 21% (2014 - 23%).

The differences are reconciled below:

	30 March 2014 to 28 March 2015 £ 000	31 March 2013 to 29 March 2014 £ 000
Profit on ordinary activities before tax	<u>15</u>	<u>3,178</u>
Corporation tax at standard rate	3	731
Expenses not deductible for tax purposes	(12)	-
Dividends from UK companies	-	(612)
Group tax relief	-	(144)
Permanent differences	<u>9</u>	<u>25</u>
Total current tax	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The main rate of UK corporation tax will be reduced to 20% from April 2015. This amendment was substantively enacted on 2 July 2013. The main rate of UK corporation tax will reduce further to 19% from April 2017 and then to 18% from April 2020. These amendments were substantively enacted on 26 October 2015.

De La Rue Investments Limited
Notes to the Financial Statements

6 Investments held as fixed assets

Shares in group undertakings and participating interests

	Subsidiary undertakings £ 000	Total £ 000
Cost		
At 29 March 2014 and at 28 March 2015	267,914	267,914
Provision for impairment		
At 29 March 2014 and at 28 March 2015	<u>234,531</u>	<u>234,531</u>
Net book value		
At 28 March 2015	<u>33,383</u>	<u>33,383</u>
At 29 March 2014	<u>33,383</u>	<u>33,383</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
De La Rue Scandinavia Limited	UK	Ordinary	100%	Holding
Portals Group Limited	UK	Ordinary	100%	Holding
Harrison & Sons Limited	UK	Ordinary and 6% Cumulative Preference	100%	Non-trading
De La Rue (Sverige) AB	Sweden	Ordinary	100%	Non-trading
Harrison & Sons Sp. Zo. o	Poland	Ordinary	100%	Dormant
Portals Holdings Limited	UK	Ordinary	100%	Dormant

De La Rue Investments Limited
Notes to the Financial Statements

7 Debtors

	28 March 2015	29 March 2014
	£ 000	£ 000
Amounts owed by group undertakings	<u>65,914</u>	<u>69,254</u>

Debtors includes £65,494,469 (2014 - £68,894,469) receivable after more than one year, being amounts owed by group undertakings.

The amounts owed by group undertakings are unsecured, interest bearing and have no fixed date for repayment.

8 Creditors: Amounts falling due within one year

	28 March 2015	29 March 2014
	£ 000	£ 000
Amounts owed to group undertakings	<u>55</u>	<u>106</u>

9 Creditors: Amounts falling due after more than one year

	28 March 2015	29 March 2014
	£ 000	£ 000
Amounts owed to group undertakings	<u>4,350</u>	<u>4,300</u>

Amounts owed to group undertakings are unsecured and have no fixed date for repayment. Interest is charged on an arm's length commercial basis. The above amounts represent long term group loans and are not due within one year.

De La Rue Investments Limited
Notes to the Financial Statements

10 Share capital

Allotted, called up and fully paid shares

	28 March 2015		29 March 2014	
	No. 000	£ 000	No. 000	£ 000
95,000,000 Ordinary shares of £1 each	95,000	95,000	95,000	95,000

11 Dividends

	28 March 2015 £ 000	29 March 2014 £ 000
Dividends paid		
Current period interim dividend paid	3,400	5,000

12 Reserves

	Profit and loss account £ 000	Total £ 000
At 30 March 2014	3,524	3,524
Profit for the period	15	15
Dividends	(3,400)	(3,400)
At 28 March 2015	139	139

13 Reconciliation of movement in shareholders' funds

	28 March 2015 £ 000	29 March 2014 £ 000
Profit attributable to the members of the company	15	3,178
Dividends	(3,400)	(5,000)
Net reduction to shareholders funds	(3,385)	(1,822)
Shareholders' funds at start of period	98,524	100,346
Shareholders' funds at end of period	95,139	98,524

14 Contingent liabilities

The Company has jointly guaranteed the bank borrowings of Group companies under the Group £250m revolving credit facility which expires December 2019. At 28 March 2015, the amount of loans drawn down on the £250m facility is £139.9m (29 March 2014: £146.1m).

De La Rue Investments Limited

Notes to the Financial Statements

15 Related party transactions

The Company has taken advantage of the exemption contained in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

16 Immediate and ultimate parent undertaking

The immediate parent undertaking of the Company is De La Rue Holdings Limited. The ultimate parent undertaking of the Company is De La Rue plc. Both companies are registered in England and Wales. The De La Rue Group is the only Group of which the Company is a member for which Group accounts are prepared. Copies of the Group accounts are available from the Secretary of De La Rue plc at De La Rue House, Jays Close, Viables, Basingstoke, Hampshire, RG22 4BS.