

**HENDERSON HOLDINGS GROUP LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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<b>HENDERSON HOLDINGS GROUP LIMITED</b>
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**COMPANY INFORMATION**

<b>DIRECTORS</b>	A J Formica R M Thompson M R Skinner
<b>COMPANY SECRETARY</b>	Henderson Secretarial Services Limited
<b>REGISTERED NUMBER</b>	6743053
<b>REGISTERED OFFICE</b>	201 Bishopsgate London EC2M 3AE
<b>INDEPENDENT AUDITORS</b>	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT
<b>BANKERS</b>	The Royal Bank of Scotland plc 2 1/2 Devonshire Square London EC2M 4XJ

<b>HENDERSON HOLDINGS GROUP LIMITED</b>
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## **HENDERSON HOLDINGS GROUP LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

The Directors present their report and the audited financial statements for the year ended 31 December 2016. The Directors have prepared the report in accordance with the small companies regime and taken advantage of the small companies' exemption (CA06 (section 414B)) in not preparing a Strategic Report. The Company would have otherwise qualified as a small company was it not a member of an ineligible group.

#### **PRINCIPAL ACTIVITIES AND FUTURE OUTLOOK**

The principal activity of Henderson Holdings Group Limited ("the Company") is to act as an investment holding company. The Directors do not envisage a change of activities in the foreseeable future.

#### **BUSINESS REVIEW**

The Company is a wholly owned subsidiary of Henderson Group plc ("HG plc" or "the Group"). The Group is run on an integrated basis through business units, not by the legal construct of its subsidiaries. Therefore the Company's strategy and business model is governed by that of the Group which is set out in detail in the Annual Report and Accounts of the Group, which can be obtained from its registered office as set out in note 15. The Group provides investment management services to clients throughout Europe, the Americas and Asia. The Group manages a broad range of actively managed investment products for institutional and retail investors, across multiple asset classes, including equities, fixed income, multi-asset and alternatives.

On 3 October 2016, Henderson Group plc announced a recommended merger with Janus Capital Group, Inc. The merger is expected to close on 30 May 2017. The proposed merger did not have any impact on the Company's financial statements for the year ending 31 December 2016.

#### **RESULTS AND DIVIDENDS**

The profit for the financial year, after taxation, amounted to £58,315,000 (2015: loss of £2,712,000).

Dividends paid in the year amounted to £61,200,000 (2015: nil).

#### **DIRECTORS**

The Directors who served during the year and up to the date of signing the financial statements were:

A J Formica  
R M Thompson  
M R Skinner

#### **DIRECTORS' INDEMNITY**

Henderson Group plc provides a deed of indemnity to the Directors to the extent permitted by United Kingdom law whereby Henderson Group plc is able to indemnify a director against any liability incurred in proceedings in which the Director is successful, and against the cost of successfully applying to the court to be excused for breach of duty where the Director acted honestly and reasonably. The indemnity has been in force for the year to 31 December 2016 and up to the date of approval of the report and financial statements.

#### **GOING CONCERN**

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 for the preparation of the annual financial statements.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the Auditors are unaware. Each Director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

## HENDERSON HOLDINGS GROUP LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

#### EVENTS AFTER THE END OF THE REPORTING PERIOD

There have been no significant events affecting the Company since the year end other than the following item which is a non-adjusting event. On 18 April 2017, the Directors approved the payment of an interim dividend of £22,000,000.

#### INDEPENDENT AUDITORS

It is the intention of the Directors to reappoint the Auditors under the deemed appointment rules of section 487 of the Companies Act 2006.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The Group's risk management framework ensures it meets its business objectives within acceptable risk parameters and it is reviewed regularly so that new and emerging risks are identified early on. The Group's culture embeds the management of risk at all levels within the organisation. The framework under which it operates also ensures that it meets its business objectives without exceeding its risk appetite and it is subject to continuous review to ensure it recognises both new and emerging risks in the business. Please refer to the Group Annual Report and Accounts as set out in note 15 for the major risks affecting the Group. Of those risks, the following risk relates specifically to the Company:

##### *Liquidity risk*

Liquidity risk is the risk that the Company, although solvent, either does not have available sufficient financial resources to enable it to meet its obligations as they fall due, or can secure such resources only at excessive cost. The Company has a minimal exposure to liquidity risk as it monitors its liquidity, working with other Group entities to ensure that it can meet its liabilities as they fall due.

This report was approved by the Board of Directors on 12 May 2017 and signed by order of the Board by:



Henderson Secretarial Services Limited  
Secretary

## HENDERSON HOLDINGS GROUP LIMITED

### DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

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 the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS101').

Under company law the Directors must not approve the financial statements unless 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS101, 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 to 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.



M R Skinner  
Director  
12 May 2017

## **HENDERSON HOLDINGS GROUP LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON HOLDINGS GROUP LIMITED**

#### **REPORT ON THE FINANCIAL STATEMENTS**

##### **Our opinion**

In our opinion, Henderson Holdings Group Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit 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.

##### **What we have audited**

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2016;
- the Income Statement and Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements;

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

#### **OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

##### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

## **HENDERSON HOLDINGS GROUP LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON HOLDINGS GROUP LIMITED**

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

#### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

### **RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT**

#### **Our responsibilities and those of the Directors**

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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for, and only for, the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

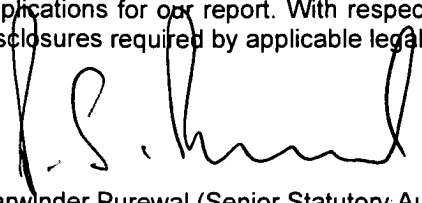
We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.



**HENDERSON HOLDINGS GROUP LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON HOLDINGS GROUP LIMITED**

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether this report includes the disclosures required by applicable legal requirements.



Parwinder Purewal (Senior Statutory Auditor)  
for and on behalf of  
PricewaterhouseCoopers LLP  
**Chartered Accountants and Statutory Auditors**  
London

12 May 2017

# HENDERSON HOLDINGS GROUP LIMITED

## INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £000	2015 £000
Dividends received from subsidiary undertakings		61,200	-
<b>Operating profit</b>		<b>61,200</b>	<b>-</b>
Finance expense	6	(2,885)	(2,712)
<b>Profit/(loss) before tax</b>		<b>58,315</b>	<b>(2,712)</b>
Taxation	7	-	-
<b>Profit/(loss) for the year</b>		<b>58,315</b>	<b>(2,712)</b>

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £000	2015 £000
Profit/(loss) for the year	58,315	(2,712)
<b>Total comprehensive income/(loss) for the year</b>	<b>58,315</b>	<b>(2,712)</b>

The notes on pages 10 to 20 form part of these financial statements.

**HENDERSON HOLDINGS GROUP LIMITED**  
**REGISTERED NUMBER: 6743053**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Notes	2016 £000	2015 £000
<b>Non-current assets</b>			
Investments	9	920,793	920,793
		<u>920,793</u>	<u>920,793</u>
<b>Current liabilities</b>			
Trade and other payables	10	(310,674)	(307,789)
		<u>(310,674)</u>	<u>(307,789)</u>
<b>Net assets</b>		<u>610,119</u>	<u>613,004</u>
<b>Capital and reserves</b>			
Ordinary share capital	11	54,216	54,216
Share premium account		17,700	17,700
Profit and loss account		538,203	541,088
		<u>610,119</u>	<u>613,004</u>
<b>Total equity</b>		<u>610,119</u>	<u>613,004</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 12 May 2017 by:

*Martin Skinner*

**M R Skinner**  
Director

The notes on pages 10 to 20 form part of these financial statements.

# HENDERSON HOLDINGS GROUP LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Ordinary share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2016	54,216	17,700	541,088	613,004
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	58,315	58,315
<b>Contributions by and distributions to owners</b>				
Dividends paid	-	-	(61,200)	(61,200)
<b>At 31 December 2016</b>	<b>54,216</b>	<b>17,700</b>	<b>538,203</b>	<b>610,119</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Ordinary share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2015	54,216	17,700	543,800	615,716
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(2,712)	(2,712)
<b>At 31 December 2015</b>	<b>54,216</b>	<b>17,700</b>	<b>541,088</b>	<b>613,004</b>

The notes on pages 10 to 20 form part of these financial statements.

## **HENDERSON HOLDINGS GROUP LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1. ACCOUNTING POLICIES**

##### **1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS101') and the Companies Act 2006.

The Company financial statements are presented in GBP and all values are rounded to the nearest thousand pounds, except where otherwise indicated. The Company is a private limited company incorporated and domiciled in the UK.

Accounting policies have been consistently applied to all the years presented unless otherwise stated.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. In the process of applying the Company's accounting policies, management has made significant judgements involving estimations and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

The Company is a wholly owned subsidiary of Henderson Global Group Limited and of its ultimate parent, Henderson Group plc. It is included within the consolidated financial statements of Henderson Group plc which are publically available, see note 15. Therefore, the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

##### **1.2 FINANCIAL REPORTING STANDARD 101 REDUCED DISCLOSURE EXEMPTIONS**

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

##### **1.3 GOING CONCERN**

The financial statements have been prepared on a going concern basis.

##### **1.4 DIVIDENDS RECEIVED FROM SUBSIDIARY UNDERTAKINGS**

Dividends received from subsidiary undertakings are recognised on the date that the right to receive payment has been established.

## **HENDERSON HOLDINGS GROUP LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1. ACCOUNTING POLICIES (CONTINUED)**

##### **1.5 FINANCE EXPENSE**

Finance expense is recognised as it accrues using the effective interest rate method.

##### **1.6 INCOME TAX**

The Company provides for current tax expense according to the tax laws in each jurisdiction in which it operates, using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised only to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Income tax relating to items recognised in the Statement of Comprehensive Income and Statement of Changes in Equity is also recognised in the respective statement and not in the Income Statement.

##### **1.7 INVESTMENTS**

Investments consist of investments in subsidiary undertakings that are held at cost less any impairment in value where circumstances indicate that the carrying value may not be recoverable.

##### **1.8 FINANCIAL LIABILITIES**

Trade and other payables are stated at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement.

##### **1.9 SHARE CAPITAL**

The Company's ordinary shares of 1.1 pence each are classified as equity instruments. Ordinary shares issued by the Company are recorded at the fair value of the proceeds received or the market price on the day of issue. Direct issue costs, net of tax, are deducted from equity through share premium.

##### **1.10 DIVIDEND RECOGNITION**

Dividend distributions to the Company's shareholders are recognised in the accounting period in which the dividends are paid as a deduction from equity.

# HENDERSON HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Company's accounting policies, management has made significant judgements involving estimations and assumptions which are summarised below:

#### **Impairment of investments**

Investments are reviewed for impairment at each reporting date or more frequently if there are indicators that the carrying value is impaired. Management also exercises judgement in determining whether a decrease in the value of an asset meets the prolonged and significant tests.

### 3. AUDITORS' REMUNERATION

Auditors' remuneration of £5,764 (2015: £6,509) in respect of the audit of the Company's financial statements is borne by a fellow Group undertaking.

Auditors remuneration in respect of the Company's direct and indirect subsidiaries of £456,590 (2015: £441,502) was also borne by a fellow Group undertaking, in relation to the audit of their financial statements.

### 4. EMPLOYEES

The Company did not have employees during the current and prior year. The UK Group employees' contracts of employment are with Henderson Administration Limited, a Group undertaking, and staff costs are disclosed in that company's financial statements.

### 5. DIRECTORS' REMUNERATION

The Directors of the Company were employed and remunerated as directors and executives of the Group in respect of their services to the Group as a whole. The Directors believe that it is not practicable to apportion part of their remuneration to their services as Directors of the Company.

A J Formica and R M Thompson were also Directors of Henderson Group plc during the year and particulars of their remuneration for the period are set out in the Group's Annual Report and Accounts as described in note 15.

Total emoluments for the Directors of the Company are presented as follows:

	2016 £000	2015 £000
<b>Emoluments</b>		
Total emoluments to Company Directors	3,470	3,278
Emoluments paid to highest paid Director	1,950	2,005
Pension contributions made in respect of the highest paid Director	45	37
Money Purchase Pension Scheme contributions	95	79
	5,560	5,399

# HENDERSON HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### DIRECTORS REMUNERATION (CONTINUED)

Emoluments comprise salaries, bonuses and other employee benefits.

The number of Directors accruing benefits under pension schemes during the year was:

	2016	2015
Money Purchase Pension Scheme	3	4
	<u>3</u>	<u>4</u>

During the year three of the Directors of the Company exercised share options (2015: four). Three Directors of the Company received shares under the Group's Long Term Incentive Plan ("LTIP") (2015: three).

The highest paid Director of the Company was awarded LTIP shares during the year and also exercised share options.

### 6. FINANCE EXPENSE

	2016 £000	2015 £000
Interest on loans from Group undertakings	2,885	2,712
	<u>2,885</u>	<u>2,712</u>

### 7. TAXATION

#### FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The UK corporation tax rate applicable for the year is 20% (2015: 20.25%). The tax assessed for the year is lower than (2015: higher than) the standard rate of corporation tax in the UK and the differences are explained below:

	2016 £000	2015 £000
Profit/(loss) before tax	58,315	(2,712)
Tax charge/(credit) at the UK corporation tax rate of 20% (2015: 20.25%)	11,663	(549)
<b>EFFECTS OF:</b>		
Income not taxable for tax purposes	(12,240)	-
Group relief surrendered for nil consideration and worldwide debt cap adjustments	577	549
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<u>-</u>	<u>-</u>



# HENDERSON HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 7. TAXATION (CONTINUED)

#### FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Reductions in the UK corporation tax rate from 20% to 19% from 1 April 2017 and to 17% from 1 April 2020 were substantively enacted before the year end date. These tax rate changes will affect the Company's current tax charge or credit in the future.

### 8. DIVIDENDS

During the year the Company declared and paid the following dividends which were paid to its immediate parent:

	2016 £000	2015 £000
Interim dividend (2016: £0.005 per share approved 6 May 2016) (2015: nil)	25,000	-
Interim dividend (2016: £0.0073 per share approved 24 June 2016) (2015: nil)	36,200	-
	<u>61,200</u>	<u>-</u>

### 9. INVESTMENTS

	Investments in subsidiary companies £000
<b>COST</b>	
At 1 January 2016	920,793
At 31 December 2016	<u>920,793</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>920,793</u>
At 31 December 2015	<u>920,793</u>

#### SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings (direct\* and indirect) of the Company as at 31 December 2016:

# HENDERSON HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 9. INVESTMENTS (CONTINUED)

Name	Functional currency	Percentage of share capital owned 2016	Principal activity
<b>Subsidiary Group A</b>			
Alphagen Capital Limited	GBP	100 %	Investment management services
Gartmore Investment Limited	GBP	100 %	Investment management services
Gartmore Investment Management Limited	GBP	100 %	Holding company
Gartmore Investment Services Limited	GBP	100 %	Holding company
Henderson Administration Limited	GBP	100 %	Administrative services
Henderson Alternative Investment Advisor Limited	GBP	100 %	Holding company
Henderson Asset Management Limited	GBP	100 %	Holding company
Henderson Equity Partners Limited	GBP	100 %	Investment management services
Henderson Fund Management Limited	GBP	100 %	Investment management services
Henderson Global Investors (Holdings) Limited	GBP	100 %	Holding company
Henderson Global Investors Asset Management Limited	GBP	100 %	Holding company
Henderson Global Investors Geneva Finance Limited	USD	100 %	Holding company
Henderson Global Investors Limited	GBP	100 %	Investment management services
Henderson Holdings Limited	GBP	100 %	Holding company
Henderson Investment Funds Limited	GBP	100 %	Investment management services
Henderson Investment Management Limited	GBP	100 %	Investment management services
Henderson Nominees Limited	GBP	100 %	Dormant company
Henderson Secretarial Services Limited	GBP	100 %	Company secretarial services
Henderson Unit Trusts Limited	GBP	100 %	Dormant company
HEP (GP) Limited	GBP	100 %	General partner
HGI (Investments) Limited	GBP	100 %	Investment holding company
HGI Group Limited *	GBP	100 %	Holding company
HPC Nominees Limited	GBP	100 %	Dormant company
New Star Asset Management Group Limited	GBP	100 %	Holding company
<b>Subsidiary Group B</b>			
90 West Asset Management Limited	AUD	100 %	Company in liquidation
H3 Global Advisors Pty Limited	AUD	100 %	Investment management services
Henderson AE Pty Limited	AUD	100 %	Company in liquidation
Henderson AFI Pty Limited	AUD	100 %	Company in liquidation
Henderson Global Investors (Australia) Funds Management Limited	AUD	100 %	Investment management services

# HENDERSON HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 9. INVESTMENTS (CONTINUED)

Henderson Global Investors (Australia) Institutional Funds Management Limited	AUD	100 %	Investment management services
Henderson Global Investors (Australia) Limited	AUD	100 %	Administrative services
Henderson Global Equity Fund	AUD	100 %	Investment entity
Henderson Global Equity Income Fund	AUD	98 %	Investment entity
Henderson Global Fixed Interest Total Return Fund	AUD	64 %	Investment entity
<b>Subsidiary Group C</b>			
Alphagen Developing Markets Best Ideas Fund	USD	100 %	Investment entity
Geneva Capital Management	USD	100 %	Investment management services
Henderson Equity Holdings LLC	USD	100 %	Holding company
Henderson Global Investors (North America) Inc	USD	100 %	Investment management services
Henderson Global Investors Equity Planning Inc	USD	100 %	Investment management services
Henderson Global Investors NPC Holdings LLC	USD	100 %	Holding company
Henderson International GP LLC	USD	100 %	General partner
Henderson International Inc	USD	100 %	Holding company
Henderson International Long/Short Equity Fund	USD	31 %	Investment entity
Henderson International Small Cap Fund	USD	100 %	Investment entity
<b>Subsidiary Group D</b>			
Henderson Global Investors Geneva (Luxembourg) Finance SA	USD	100 %	Group financing
Henderson Horizon Fund Emerging Market Corporate Bond Fund	USD	37 %	Investment entity
Henderson Horizon Global Corporate Bond Fund	USD	100 %	Investment entity
Henderson Horizon Global Equity Income Fund	USD	44 %	Investment entity
Henderson Horizon Global Natural Resources	USD	82 %	Investment entity
Henderson Horizon Pan European Dividend Fund	EUR	97 %	Investment entity
<b>Subsidiary Group E</b>			
HGP3 Limited	GBP	100 %	Company in liquidation
HGP4 Limited	GBP	100 %	Company in liquidation
HGP5 Limited	GBP	100 %	Company in liquidation
<b>Subsidiary Group F</b>			
Alphagen Elnath Fund	USD	32 %	Investment entity
Gartmore Group Limited	GBP	100 %	Holding company

# HENDERSON HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 9. INVESTMENTS (CONTINUED)

#### Subsidiary Group G

New Star Asset Management (Bermuda) Limited	GBP	100 %	Investment management services
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#### Subsidiary Group H

Gartmore Services Limited	GBP	100 %	Professional services
Henderson Equity Partners Jersey (GP) Limited	GBP	100 %	General partner

#### Subsidiary Group I

Henderson Global Investors (International Holdings) BV	EUR	100 %	Holding company
Henderson Global Investors BV	EUR	100 %	Marketing services

#### Subsidiary Group J

UKFP (Asia) Nominees Limited	HKD	100 %	Dormant company
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#### Subsidiary Group K

Henderson Investment Consulting (Beijing) Limited	CNY	100 %	Investment management services
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#### Subsidiary Group L

Gartmore Investment Services GmbH	EUR	100 %	Company in liquidation
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#### Subsidiary Group M

Henderson Equity Partners India Private Limited	INR	100 %	Investment management services
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#### Subsidiary Group N

Henderson Global Investors (Japan) Limited	JPY	100 %	Investment management services
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#### Subsidiary Group O

Henderson Global Investors (Schweiz) AG	CHF	100 %	Marketing services
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#### Subsidiary Group P

Henderson Equity Partners (GP) Limited	GBP	100 %	General partner
HGP2 Limited	GBP	100 %	General partner

#### Subsidiary Group Q

Advizas Limited	GBP	100 %	Company in liquidation
CLOF II UK Limited	GBP	100 %	Company in liquidation
G.I.L. Nominees Limited	GBP	100 %	Company in liquidation
Henderson Finances	GBP	100 %	Company in liquidation
Henderson UK Finance Limited	GBP	100 %	Company in liquidation
HGI OMP UK Limited	GBP	100 %	Company in liquidation
Oxford Acquisition III Limited	GBP	100 %	Company in liquidation
H3 Global Advisors Limited	GBP	100 %	Company in liquidation

# HENDERSON HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 9. INVESTMENTS (CONTINUED)

#### Subsidiary Group R

Gibran Securities Pty Limited	AUD	100 %	Holding company
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The registered offices of the Company's subsidiaries are as follows:

Name	Registered office
Subsidiary Group A	201 Bishopsgate, London EC2M 3AE, UK
Subsidiary Group B	Level 36, Grosvenor Place, 225 George Street, Sydney NSW 2000, Australia
Subsidiary Group C	2711 Centerville Road, Suite 400, Wilmington DE 19808, United States
Subsidiary Group D	2 Rue de Bitbourg, L-1273 Luxembourg
Subsidiary Group E	20 Castle Terrace, Edinburgh, EH1 2EG
Subsidiary Group F	Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands
Subsidiary Group G	2 Church Street, Hamilton, HM 11, Bermuda
Subsidiary Group H	5th Floor, 37 Esplanade, St Helier, Jersey, JE1 2TR, Jersey
Subsidiary Group I	Roemer Visscherstraat 43-45, 1054 EW Amsterdam, Netherlands
Subsidiary Group J	PO Box 438 Beaufort House , Road Town, Tortola, British Virgin Islands
Subsidiary Group K	Suite 2401-15, China World Office 2, No. 1 Jianguomenwai Avenue, Beijing 100004
Subsidiary Group L	25th Floor, Tower 185, Friedrich-Ebert-Anlage 35-37, 60327 Frankfurt am Main, Germany
Subsidiary Group M	c/o Budhraj Adlakha & Co., 5/31 W.E.A Karol Bagh, New Delhi, 110 005, India
Subsidiary Group N	6-5 Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0005, Japan
Subsidiary Group O	Rennweg 28/Fortunagasse 40, 8001 Zurich, Switzerland
Subsidiary Group P	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland
Subsidiary Group Q	KPMG, 15 Canada Square, London, E14 5GL
Subsidiary Group R	Level 47, Suite 4702, 1 Macquarie Place, Sydney, NSW 2000

In the opinion of the Directors, the aggregate value of the shares in direct subsidiaries is not less than the amount at which they are stated in the Statement of Financial Position. When events or changes in circumstances indicate that the carrying amount of investments may not be recoverable an impairment review is carried out by the Directors of the Company.

No events have been identified which indicated that the carrying value of the investments held were below the recoverable amounts.

# HENDERSON HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 10. TRADE AND OTHER PAYABLES

	2016 £000	2015 £000
Loans owed to Group undertakings	207,830	255,974
Amounts owed to Group undertakings	102,844	51,815
	<u>310,674</u>	<u>307,789</u>

Loans owed to Group undertakings are interest free except for two loans with principal amounts of £47m and £80m which bear interest at six month LIBOR plus 0.50% and six month LIBOR plus 1.0% respectively. These loans are repayable upon demand.

Amounts owed to Group undertakings accrued interest at the Bank of England base rate plus 1%.

### 11. ORDINARY SHARE CAPITAL

	2016 £000	2015 £000
<b>Authorised, allotted, called up and fully paid</b>		
4,928,749,178 (2015:4,928,749,178) Ordinary shares of £0.011 each	<u>54,216</u>	<u>54,216</u>

### 12. RESERVES

#### Share premium account

Share premium records the difference between the nominal value of shares issued and the full value of the consideration received or the market price on the day of issue.

#### Profit and loss account

The profit and loss account comprises:

- results recognised through the Income Statement; and
- dividends paid to equity shareholders

### 13. CONTINGENT LIABILITIES

In the normal course of business, the Group is exposed to certain legal or tax matters, which could involve litigation and arbitration, and may result in contingent liabilities. The Directors are not aware of any contingent liabilities requiring disclosure in these financial statements as at 31 December 2016 or 2015.

<b>HENDERSON HOLDINGS GROUP LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**14. EVENTS AFTER THE END OF THE REPORTING YEAR**

The Board of Directors has not received as at 12 May 2017, being the date the financial statements were approved, any information concerning significant conditions in existence at the reporting date, which have not been reflected in the financial statements as presented, other than the item detailed below which is a non-adjusting event.

On 18 April 2017, the Directors approved the payment of an interim dividend of £22,000,000.

**15. CONTROLLING PARTY**

The Company's immediate parent undertaking is Henderson Global Group Limited, a company incorporated in Ireland and the ultimate parent undertaking and controlling party is Henderson Group plc, a company incorporated in Jersey which is the parent undertaking of the smallest and largest group to consolidate these financial statements. A copy of the Group's Annual Report and Accounts for the year ended 31 December 2016 can be obtained from its registered office at 47 Esplanade, St Helier, Jersey, JE1 0BD or its website, [www.henderson.com](http://www.henderson.com).