

**JIB Group Holdings Limited**

**Annual report**

**for the year ended 31 December 2014**

**Company Number: 02956529**

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## **JIB Group Holdings Limited**

(Company Number: 02956529)

### **Strategic Report for the year ended 31 December 2014**

The directors present their strategic report on the company for the year ended 31 December 2014.

#### **Business Review**

Profit on ordinary activities before taxation amounts to £74,430,000 (2013: £71,499,000).

The results of the Company for the year ended 31 December 2014 are set out in the financial statements on pages 7 to 17.

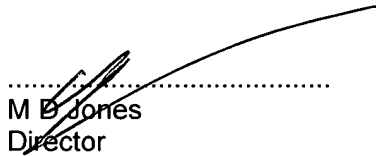
#### **Principal risks and uncertainties and financial risk management**

From the perspective of the Company, the principal risks and uncertainties and financial risks of the Company are integrated with that of Jardine Lloyd Thompson Group plc (JLT Group) and are not managed separately. Accordingly the principal risks and uncertainties and financial risks of JLT Group, which include those of the Company, are set out in the Finance Director's and Risk Management Reports on pages 37 to 42 of the 2014 Annual Report of JLT Group which does not form part of this report.

#### **Key performance indicators (KPIs)**

Given the straightforward nature of the business, the Company's directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business.

Approved by the Board on 4 June 2015 and signed on its behalf by:

  
.....  
M B Jones  
Director

## **JIB Group Holdings Limited**

(Company Number: 02956529)

### **Directors' Report for the year ended 31 December 2014**

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2014.

#### **Principal activities**

The Company acts as an intermediary holding company for companies in the Jardine Lloyd Thompson Group plc throughout the year and its income derives solely from those investments. The directors anticipate that the Company will continue trading for the foreseeable future.

#### **Future Outlook**

The directors continue to have confidence in the future of the business and its continued operation.

#### **Dividends**

Final dividends of £84,000,000 were recommended by the directors and paid during the year (2013: £75,000,000).

#### **Directors**

The directors set out below held office during the year ended 31 December 2014 and up to the date of signing these financial statements:

M D Jones

M T Reynolds

D A Byrne

There being no provision in the Company's Articles of Association for the retirement of directors by rotation, the present directors will continue in office.

## **JIB Group Holdings Limited**

(Company Number: 02956529)

### **Directors' Report for the year ended 31 December 2014**

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the strategic report, 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 prepared 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 year. 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 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 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.

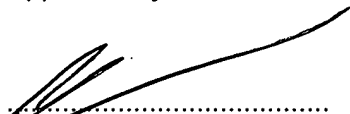
#### **Disclosure of information to the auditors**

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and the directors have taken all the 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 auditors are aware of that information.

#### **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board on 4 June 2015 and signed on its behalf by:

  
.....  
M-D Jones  
Director

## **JIB Group Holdings Limited**

### **Independent Auditors' report to the members of JIB Group Holdings Limited for the year ended 31 December 2014**

#### **Report on the financial statements**

##### **Our Opinion**

In our opinion, JIB Group Holdings 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 2014 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 for the year ended 31 December 2014, which are prepared by JIB Group Holdings Limited, comprise:

- the balance sheet as at 31 December 2014
- the profit and loss account for the year ended 31 December 2014
- 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 their preparation comprises applicable law and United Kingdom Accounting Standards (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 the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **JIB Group Holdings Limited**

### **Independent Auditors' report to the members of JIB Group Holdings Limited for the year ended 31 December 2014**

#### **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.

##### **Directors' remuneration**

Under the Companies Act 2006 we are required to report if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. 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 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 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.

## **JIB Group Holdings Limited**

### **Independent Auditors' report to the members of JIB Group Holdings Limited for the year ended 31 December 2014**

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

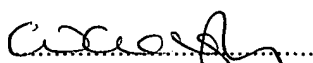
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (ISAs (UK & Ireland)). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from 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.

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.



Claire Clough (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
7 More London Riverside  
London  
SE1 2RT

4 June 2015

**JIB Group Holdings Limited****Profit and loss account for the year ended 31 December 2014**

	Note	Year ended 31 December 2014 £000's	Year ended 31 December 2013 £000's
Turnover		<u>77,000</u>	<u>75,000</u>
Operating profit	3	77,000	75,000
Result / (loss) on disposal of fixed assets		<u>-</u>	<u>(1,343)</u>
Profit on ordinary activities before interest and taxation		77,000	73,657
Interest payable and similar charges	7	<u>(2,570)</u>	<u>(2,158)</u>
Profit on ordinary activities before taxation		74,430	71,499
Tax on profit on ordinary activities	8	<u>51</u>	<u>(59)</u>
Profit for the financial year	15	<u><u>74,481</u></u>	<u><u>71,440</u></u>

The activities of the Company relate entirely to continuing operations.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The Company has no recognised gains or losses for the year other than the results above and therefore no separate statement of total recognised gains and losses has been presented.



**JIB Group Holdings Limited**  
**Balance sheet at 31 December 2014**

	Note	31 December 2014 £000's	31 December 2013 £000's
<b>Fixed assets</b>			
Investments	10	437,011	437,011
		<u>437,011</u>	<u>437,011</u>
<b>Current assets</b>			
Debtors	11	552	501
Creditors - amounts falling due within one year	12	(198,895)	(189,325)
Net current liabilities		<u>(198,343)</u>	<u>(188,824)</u>
Total assets less current liabilities		<u>238,668</u>	<u>248,187</u>
Net assets		<u>238,668</u>	<u>248,187</u>
<b>Capital and reserves</b>			
Called up share capital	13	165,222	165,222
Share premium account	14	71,122	71,122
Profit and loss account	14	2,324	11,843
Total shareholders' funds	15	<u>238,668</u>	<u>248,187</u>

The financial statements on pages 7 to 17 were approved by the Board of Directors on 4 June 2015 and were signed on its behalf by:

  
 .....  
 M D Jones  
 Director

**JIB Group Holdings Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**1 Accounting policies**

**a Basis of preparation**

The financial statements are prepared under the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom which have been consistently applied.

The company is a wholly owned subsidiary of Jardine Lloyd Thompson Group plc and is included in the consolidated financial statements of Jardine Lloyd Thompson Group plc which are publically available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

A letter of support to the Company has been provided by its parent to enable the financial statements to be prepared on a going concern basis.

A summary of the principal company accounting policies is set out below.

**b Turnover**

Turnover represents dividends received from its subsidiaries and are recognised as follows; interim dividends, when they are paid, and final dividends, when they are formally approved by the board of that subsidiary.

**c Fixed asset investments**

Fixed assets are stated at cost less any provision for permanent diminution in value.

**JIB Group Holdings Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**1 Accounting policies**

**d Impairment**

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flow (income-generating units).

Impairment losses are reversed when the recoverable amount subsequently increases due to a change in economic conditions or the expected value in use of the asset. The amount of any reversal recognised is restricted to increasing the carrying value of the asset to the carrying value that would have been recognised had the original impairment not incurred.

**2 Cash flow statement and related party disclosures**

The Company is a wholly owned subsidiary of Jardine Lloyd Thompson Group plc and is included in the consolidated financial statements of that group, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Jardine Lloyd Thompson Group plc.

**3 Operating profit**

Operating profit is stated after charging:

	<b>2014</b>	<b>2013</b>
	<b>£ 000</b>	<b>£ 000</b>
Result / (loss) on disposal of Investment	<u>-</u>	<u>1,343</u>

In 2013, the loss on disposal of investment of £1,343k related to the liquidation of Lockhart Insurance Company Limited.

**JIB Group Holdings Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**4 Auditors' remuneration**

Auditors' remuneration for the statutory audit of the financial statements of the Company for the year ended 31 December 2014 is £2,500 (2013: £2,500).

The Auditors' remuneration is paid, on behalf of the Company, by a fellow subsidiary, JLT Management Services Limited which is part of the Jardine Lloyd Thompson Group.

**5 Directors' emoluments**

The directors received no emoluments in respect of their services to JIB Group Holdings Limited during the year ended 31 December 2014 (2013: Nil).

**6 Employee information**

There were no employees during the year ended 31 December 2014 (2013: Nil).

**7 Interest payable and similar charges**

	Year ended 31 December 2014 £000's	Year ended 31 December 2013 £000's
Group interest and similar charges payable	2,570	2,158
	<u>2,570</u>	<u>2,158</u>

**JIB Group Holdings Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**8 Tax on profit on ordinary activities**

	Year ended 31 December 2014 £000's	Year ended 31 December 2013 £000's
<b>UK Corporation Tax</b>		
Current tax on income for the year	(552)	(501)
Adjustments in respect of prior years	501	560
Tax on profit on ordinary activities	<u>(51)</u>	<u>59</u>

The UK Government has announced various measures in relation to UK corporation tax including a 2% reduction in the headline rate of corporation tax from April 2014, and a reduction of 1% in 2015. These reductions reduce the UK tax rate from 23% to 20%. As at 31 December 2014 the 2% rate reduction to 21% is already in force and the subsequent 1% rate reduction has been enacted. The impact of the 2% and 1% reduction have therefore been incorporated into the income tax charge for the year ended 31 December 2014.

The standard rate of Corporation Tax in the UK changed from 23% to 21% with effect from 1 April 2014. Accordingly, the company's profits for this accounting year are taxed at an effective rate of 21.49%.

The tax charge for the year is lower than (2013 - lower than) the standard rate of Corporation Tax in the UK of 21.49% (2013 - 23.25%). The differences are explained overleaf:

**JIB Group Holdings Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**8 Tax on profit on ordinary activities (continued)**

	Year ended 31 December 2014 £000's	Year ended 31 December 2013 £000's
Profit on ordinary activities before taxation	74,430	71,499
UK Corporation Tax on profit on ordinary activities of 21.49% (2013: 23.25%)	15,998	16,624
Permanent additions to taxable result	-	312
Permanent deductions from taxable result	(16,550)	(17,437)
Adjustments in respect of prior years	501	560
Current tax charge for the year	(51)	59

**9 Dividends**

	Year ended 31 December 2014 £000's	Year ended 31 December 2013 £000's
Final dividend paid	84,000	75,000

The final dividend of £0.508 per share (2013: £0.454) was paid on 31 December 2014.

**JIB Group Holdings Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**10 Investments**

	<b>Shares in Subsidiary Undertakings £000's</b>	<b>Total £000's</b>
<b>Cost</b>		
1 January 2014	437,011	437,011
31 December 2014	437,011	437,011
<b>Provision</b>		
1 January and 31 December 2014	-	-
<b>Net book value</b>		
31 December 2014	437,011	437,011
31 December 2013	437,011	437,011

The directors believe that the carrying value of the investment in subsidiaries is not materially different from their perceived market value.

**Details of undertakings**

The principal companies in which the Company's interest at the year end is more than 20% are as follows:

<b>Entity name</b>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Class of shares held</b>	<b>Percentage of shares held</b>
<b>Subsidiary undertakings</b>				
JIB Overseas Holdings Limited	England	Holding Company	Ordinary	100%
JIB UK Holdings Limited	England	Holding Company	Ordinary	100%

**JIB Group Holdings Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**11 Debtors**

	<b>31 December 2014 £000's</b>	<b>31 December 2013 £000's</b>
<b>Amounts falling due within one year</b>		
Other tax	552	501
	<u>552</u>	<u>501</u>

**12 Creditors - amounts falling due within one year**

	<b>31 December 2014 £000's</b>	<b>31 December 2013 £000's</b>
Amounts owed to group undertakings	<u>198,895</u>	<u>189,325</u>

An effective interest rate of 2.24% (2013: 2.04%) has been charged on certain amounts due to group undertakings averaging £114,906,000 (2013: £105,749,000). The remaining amounts are unsecured, interest free and repayable on demand.



**JIB Group Holdings Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**13 Called up share capital**

**Allotted and fully paid**

	<b>31 December 2014</b>		<b>31 December 2013</b>	
	<b>Number of shares</b>	<b>Nominal value £</b>	<b>Number of shares</b>	<b>Nominal value £</b>
Ordinary shares of £1.00 each	165,222,002	165,222,002	165,222,002	165,222,002
Non - voting Ordinary D shares of £0.01 each	100	1	100	1
Non - voting Ordinary E shares of £0.01 each	100	1	100	1
Non - voting Ordinary F shares of £0.01 each	100	1	100	1
Non - voting Ordinary G shares of £0.01 each	100	1	100	1
Non - voting Ordinary I shares of £0.05 each	50	3	50	3
	<u>165,222,452</u>	<u>165,222,009</u>	<u>165,222,452</u>	<u>165,222,009</u>

**14 Reserves**

	<b>Share premium account £000's</b>	<b>Profit and loss account £000's</b>	<b>Total £000's</b>
At 1 January 2014	71,122	11,843	82,965
Profit for the financial year	-	74,481	74,481
Dividends paid	-	(84,000)	(84,000)
At 31 December 2014	<u>71,122</u>	<u>2,324</u>	<u>73,446</u>

**JIB Group Holdings Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**15 Reconciliation of movement in shareholders' funds**

	Year ended 31 December 2014 £000's	Year ended 31 December 2013 £000's
Profit for the financial year	74,481	71,440
Dividends	(84,000)	(75,000)
Net deduction to shareholders' funds	(9,519)	(3,560)
Opening shareholders' funds	248,187	251,747
Closing shareholders' funds	238,668	248,187

**16 Parent undertakings**

The Company's immediate parent undertaking is JIB Group Limited, a company registered in England.

Jardine Lloyd Thompson Group plc is the ultimate parent undertaking and controlling party for which consolidated group financial statements are prepared and of which the Company is a member.

Copies of the group financial statements can be obtained from:

Name	Jardine Lloyd Thompson Group plc
Country of incorporation or registration	England
Address from where copies of the group financial statements can be obtained	The St Botolph Building, 138 Houndsditch, London, EC3A 7AW