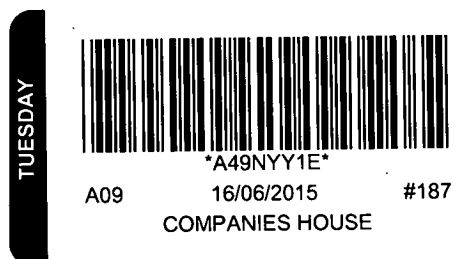


Courtaulds Textiles (Holdings) Limited
Annual report and financial statements
for the year ended 31 December 2014

Registered number: 01753996



Courtaulds Textiles (Holdings) Limited

Annual report and financial statements for the year ended 31 December 2014

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Courtaulds Textiles (Holdings) Limited

Strategic report for the year ended 31 December 2014

The directors present their strategic report on Courtaulds Textile (Holdings) Limited for the year ended 31 December 2014. The comparative period relates to the 18 months to 31 December 2013.

Review of the business

The company's principal activity is to act as a holding company, and predominantly holds an industrial injury provision that relates mainly to current and estimated liabilities under a self-insurance scheme for employers' liability and other related matters. This is largely expected to be utilised in the next 6.5 years (2013: 7.5 years). The provision is the best estimate of the directors based on an external actuarial valuation as at 31 December 2014 and assumes historic claim patterns and repudiation rates continue into the future.

The Company has net liabilities of £67,596,000 (31 December 2013: £67,137,000) and has received support from D.E Holding UK Limited that it will provide sufficient resources to enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

The loss for the year was £459,000 (31 December 2013: £6,187,000).

The directors expect there to be no change in the Company's activities within the foreseeable future.

Principal risks and uncertainties

The Company's principal risk is the uncertainty of the timing and amount of payments to be made for the settlement of industrial injury related claims. This is mitigated through bi-annual actuarial assessment of claims activity.

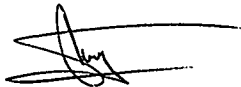
Financial key performance indicators

Given the nature of the business as a holding company, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. The development, performance and position of the group, which includes the company, are discussed in the group's financial statements which do not form part of this report.

Future Developments

On 7 May 2014, D.E Master Blenders 1753 NV announced their intention to combine the business with the coffee business of Mondelez International Inc. to create the world's leading pure-play coffee company under the name of Jacobs Douwe Egberts. The transactions are expected to be completed during the course of 2015, subject to regulatory approvals and the completion of employee information and consultation requirements.

On behalf of the board



S. Cotter
Director
29 May 2015

Courtaulds Textiles (Holdings) Limited

Directors' report for the year ended 31 December 2014

The directors present their report and the audited financial statements of Courtaulds Textiles (Holdings) Limited (the "Company") for the year ended 31 December 2014. The comparative period relates to the 18 months to 31 December 2013.

Principal activity and future developments

The Company's principal activity is to act as a holding company; its registered number is 01753996.

The directors expect there to be no change in the Company's activities within the foreseeable future. Further details on future developments are included within the Strategic report.

Going concern

The Company has net liabilities of £67,596,000 (31 December 2013: £67,137,000) and has received support from D.E Holding UK Limited that it will provide sufficient resources to enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. On this basis the directors consider that the presentation of the financial statements on a going concern basis is appropriate.

Financial risk management

As the company does not trade it is not exposed to significant price or credit risk. As set out in the strategic report, the company is exposed to the timing and amount required to settle the industrial injury provision. However this is managed through a bi-annual assessment of claims activity.

Liquidity risk is managed through the ongoing support it receives from D.E Holding UK Limited and although the company is exposed to interest rate risk through its interest bearing bank overdraft, the directors do not consider the risk to be significant.

Dividends and reserves

The directors do not recommend the payment of a dividend for the year (31 December 2013: £nil).

Directors

The directors who served during the year and to the date of signing of the financial statements:

R. Bailey
S. Cotter

Throgmorton Secretaries LLP continued as secretaries during the year.

Qualifying third party indemnity provisions are provided by a third party for the benefit of the directors of the Company, and were in force during the financial year and at the date of approval of the financial statements.

Courtaulds Textiles (Holdings) Limited

Directors' report for the year ended 31 December 2014 (continued)

Directors' responsibilities statement

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 Practices (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 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; 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.

Disclosure of information to auditors

In accordance with Section 418, each person who is a director at the time when the report is approved confirms that:

- a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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.

On behalf of the Board



S Cotter

Director

29 May 2015

Company registered number: 01753996

Courtaulds Textiles (Holdings) Limited

Independent auditors' report to the members of Courtaulds Textiles (Holdings) Limited

Report on the financial statements

Our opinion

In our opinion Courtaulds Textiles (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 loss 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

Courtaulds Textiles (Holdings) Limited's financial statements comprise:

- the Balance sheet as at 31 December 2014;
- the Profit and loss account 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 their preparation is 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.

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 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.

Courtaulds Textiles (Holdings) Limited

Independent auditors' report to the members of Courtaulds Textiles (Holdings) Limited (continued)

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 & Ireland) ("ISAs (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.

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.

In addition, we read all the financial and non-financial information in the Annual report and financial statements 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.



Mike Robinson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Milton Keynes
10 June 2015

Courtaulds Textiles (Holdings) Limited

Profit and loss account for the year ended 31 December 2014

		12 months ended 31 December 2014 £'000	18 months ended 31 December 2013 £'000
	Note		
Administrative expenses		(303)	(5,996)
Loss on ordinary activities before interest and taxation		(303)	(5,996)
Interest payable and similar charges	3	(156)	(191)
Loss on ordinary activities before taxation	2	(459)	(6,187)
Tax on loss on ordinary activities	6	-	-
Loss for the financial year/period	12	(459)	(6,187)

The accompanying notes on pages 8 to 15 are an integral part of this profit and loss account.

There are no material differences between the reported loss for the year/period as shown in the profit and loss account above and its historical cost equivalent.

All activities relate to continuing operations.

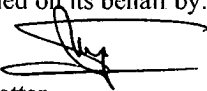
There are no recognised gains or losses, other than the loss the each financial year/period and therefore no separate statement of total recognised gains and losses has been presented.

Courtaulds Textiles (Holdings) Limited

Balance sheet as at 31 December 2014

	Note	12 months ended 31 December 2014 £'000	18 months ended 31 December 2013 £'000
Fixed assets			
Investments	7	1,725	225
		1,725	225
Current assets			
Debtors	8	879	1,254
		879	1,254
Creditors: amounts falling due within one year	9	(50,359)	(47,779)
Net current liabilities		(49,480)	(46,525)
Total assets less current liabilities		(47,755)	(46,300)
Provisions for liabilities	10	(19,841)	(20,837)
Net liabilities		(67,596)	(67,137)
Capital and reserves			
Called up share capital	11	12,500	12,500
Profit and loss account	12	(80,096)	(79,637)
Total shareholders' deficit	13	(67,596)	(67,137)

The financial statements on pages 6 to 15 were approved by the board of directors on 29 May 2015 and signed on its behalf by:


S Cotter
Director

Company registered number: 01753996

Courtaulds Textiles (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2014

1 Accounting policies

Basis of accounting

The financial statements have been prepared in the United Kingdom under the historical cost convention, and in accordance with applicable accounting standards and the Companies Act 2006 in the United Kingdom. The company is exempt by virtue of the Companies Act 2006, section 400, from the requirement to prepare group financial statements.

Accounting policies have been applied consistently throughout the year and the preceding period.

Going concern

The Company has net liabilities of £67,596,000 (31 December 2013: £67,137,000) and has received support from D.E Holding UK Limited that it will provide sufficient resources to enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. On this basis the Directors consider that the presentation of the financial statements on a going concern basis is appropriate.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Payments received, if any, for losses surrendered to other group undertakings are reflected in the tax charge or credit.

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 the future or a right to pay less tax in the future have occurred at the balance sheet date. Where recognised, deferred tax balances are not discounted.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Investments

Investments in subsidiary and associated undertakings are stated at cost less provision for impairment in value.

Cash flow statement

The company is a wholly owned subsidiary of D.E Master Blenders 1753 NV and is included in the consolidated financial statements of D.E Master Blenders 1753 NV, which are publicly available. Consequently the company has taken advantage of the exemption set out in Financial Reporting Standard 1, (Revised 1996) "Cash Flow Statements", and has not presented a cash flow statement.

Related parties

The company is exempt under the terms of Financial Reporting Standard 8 "Related Party Disclosure", from disclosing related party transactions with entities that are part of the D.E Master Blenders 1753 NV, as it is a wholly owned subsidiary of the group.

Courtaulds Textiles (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

1 Accounting policies (continued)

Provisions

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Estimates and judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the specific circumstances. The results of these judgements form the basis for assessing the carrying value of assets and liabilities that are not readily apparent from other sources, and the actual results may differ from these estimates.

The key areas of judgement and estimation uncertainty in the financial statements are detailed below:

Impairment of investments

Assets are subject to impairment reviews based on whether current or future events and circumstances suggest that their residual value may be less than their carrying value. Recoverable amount is based on a calculation of expected future cash flows.

Industrial injury provision

Management review the level, timing and value of anticipated industrial injury related claims arising from previous employment based on actuarial advice. This actuarial advice is based on the historic trend of claims received and the anticipated flow of future claims, and this forms the basis of the best estimate of the directors assuming that historic claim patterns and repudiation rates continue into the future.

Courtaulds Textiles (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

2 Loss on ordinary activities before taxation

Loss on ordinary activities before interest and taxation is stated after charging/(crediting):

	12 months ended 31 December 2014 £'000	18 months ended 31 December 2013 £'000
Industrial injury claims (note 10)	(105)	5,649
Environmental provision (note 10)	(2)	6

Auditors' remuneration of £11,000 (31 December 2013: £9,000) has been borne by a fellow group undertaking. There are no non-audit services in the current year or prior period.

3 Interest payable and similar charges

	12 months ended 31 December 2014 £'000	18 months ended 31 December 2013 £'000
Interest on bank and other borrowings and similar charges	156	191

4 Directors' remuneration

No directors received any remuneration for services to the company during the year (31 December 2013: £nil). Two of the directors (31 December 2013: three) who served during the year were a member of a defined benefit pension scheme administered by a related undertaking, D.E Holding UK Limited.

5 Employees

There were no staff employed by the company during the year (31 December 2013: nil).

Courtaulds Textiles (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

6 Tax on loss on ordinary activities

	12 months ended 31 December 2014 £'000	18 months ended 31 December 2013 £'000
Current tax		
United Kingdom corporation tax at 21.5% (31 December 2013: 23.5%)	-	-
Tax on loss on ordinary activities	-	-
The tax assessment for the year is lower (31 December 2013: higher) than the standard rate of corporation tax in the United Kingdom of 21.5% (31 December 2013: 23.5%). The differences are explained below:		
	12 months ended 31 December 2014 £'000	18 months ended 31 December 2013 £'000
Loss on ordinary activities before taxation	(459)	(6,187)
Tax on loss on ordinary activities at the UK standard rate of 21.5% (31 December 2013: 23.5%)	(99)	(1,454)
Effects of:		
Expenses and provisions not allowable for tax purposes	65	1,409
Transfer pricing adjustments	(63)	(160)
Movements in unrecognised deferred tax assets	97	205
Current tax charge	-	-

At 31 December 2014 there is an unrecognised deferred tax asset of £3,658,000 (31 December 2013: £3,610,000). This is represented by non-trading deficits of £1,668,000 (31 December 2013: £1,620,000) and capital losses of £1,990,000 (31 December 2013: £1,990,000). These amounts have not been recognised as the directors do not consider it probable that sufficient suitable profits will arise to utilise these assets.

In the March 2013 Budget, a rate reduction from 23% to 21% from 1 April 2014 was announced, together with a further reduction to 20% from 1 April 2015. These reductions were substantively enacted as at the balance sheet date and therefore are reflected in these financial statements.

Courtaulds Textiles (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

7 Fixed asset investments

	Subsidiary under- takings
	£'000
Cost and net book value	
At 1 January 2014	225
Additions	1,500
At 31 December 2014	1,725

The subsidiary undertaking is:

	Country of registration or incorporation	Shares held		Main activity
		Class	%	
Linnysshaw Insurance Limited	Isle of Man	Ordinary	100	Insurance

In the opinion of the directors, the aggregate value of shares in and amounts owing by the subsidiary undertakings is not less than the aggregate of the amounts at which they are stated in the company's balance sheet.

Courtaulds Textiles (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

8 Debtors

	31 December 2014	31 December 2013
	£'000	£'000
Other debtors	879	1,254

All debtor balances fall due within one year.

9 Creditors: amounts falling due within one year

	31 December 2014	31 December 2013
	£'000	£'000
Bank overdrafts	12,450	9,822
Amounts owed to group undertakings	37,557	37,546
Accruals and deferred income	352	411
	50,359	47,779

Amounts owed to group undertakings are intercompany balances which are unsecured, repayable on demand and do not bear interest.

10 Provisions for liabilities

	Industrial injury £'000	Environmental £'000	Total £'000
At 1 January 2014	20,799	38	20,837
Credited to the profit and loss account	(105)	(2)	(107)
Utilised during the year	(883)	(6)	(889)
At 31 December 2014	19,811	30	19,841

Courtaulds Textiles (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

10 Provision for liabilities (continued)

Industrial injury provision

The provision relates mainly to current and estimated liabilities under a self-insurance scheme for employers' liability and other related matters, largely expected to be utilised in the next 6.5 years (2013: 7.5 years). The provision is the best estimate of the directors based on an external actuarial valuation as at 31 December 2014 and assumes historic claim patterns and repudiation rates continue into the future. The balance has been discounted at a rate of 1.95% (31 December 2013: 2.83%).

Environmental provision

The provision relates to various environmental obligations that the company is required to settle. The balance has not been discounted as the impact would not be material.

11 Called up share capital

	31 December 2014 £'000	31 December 2013 £'000
Authorised		
15,000,000 (2013: 15,000,000) ordinary shares of £1 each	15,000	15,000
	12 months ended 31 December 2014 £'000	18 months ended 31 December 2013 £'000
Allotted and fully paid		
12,500,000 (2013: 12,500,000) ordinary shares of £1 each	12,500	12,500

Courtaulds Textiles (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

12 Profit and loss account

	£'000
At 1 January 2014	(79,637)
Loss for the financial year	(459)
At 31 December 2014	(80,096)

13 Reconciliation of movements in shareholder's deficit

	31 December 2014 £'000	31 December 2013 £'000
Loss for the financial year	(459)	(6,187)
Opening shareholder's deficit	(67,137)	(60,950)
Closing shareholder's deficit	(67,596)	(67,137)

14 Ultimate holding and controlling company

At the year end the Company's immediate parent company was D.E Holding UK Limited, a company registered in England and Wales. The Company's ultimate holding company and controlling party was D.E. Master Blenders 1753 NV, a company incorporated in the Netherlands.

D.E. Master Blenders 1753 NV was the parent undertaking of the largest and only group of undertakings to consolidate these financial statements at 31 December 2014. Copies of these consolidated financial statements of D.E Master Blenders 1753 NV are available from the offices at Oosterdoksstraat 80, 1011 DK Amsterdam, the Netherlands.