

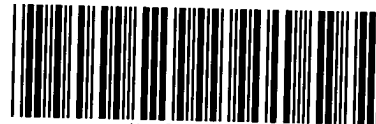
Registered no: 03734777

*Johnson & Johnson*

**Johnson & Johnson Swiss Finance Company Limited**

**Annual report and financial statements for the  
Year ended 28 December 2014**

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# **Johnson & Johnson Swiss Finance Company Limited**

## **Annual report and financial statements for the year ended 28 December 2014**

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# **Johnson & Johnson Swiss Finance Company Limited**

## **Directors and advisers**

### **Directors**

Pascal Hoorn  
Andrea Ostinelli  
Michel Racine  
Marco Vitali

### **Company secretary**

Hackwood Secretaries Limited  
1 Silk Street  
London  
EC2Y 8HQ  
United Kingdom

### **Registered office**

c/o Hackwood Secretaries Limited  
1 Silk Street  
London  
EC2Y 8HQ  
United Kingdom

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
4th Floor  
One Reading Central  
23 Forbury Road  
Reading  
Berkshire  
RG1 3JH  
United Kingdom

# Johnson & Johnson Swiss Finance Company Limited

## Strategic report for the year ended 28 December 2014

The directors present their Strategic report for the year ended 28 December 2014.

### Review of the business and principal activities

#### *Principal activity*

The principal activity of Johnson & Johnson Swiss Finance Company Limited is to grant loans to affiliated Johnson & Johnson companies.

These financial statements have been prepared using the United States Dollar ('USD') as the directors believe that this is the company's functional currency as the company operates in a capacity that serves the ultimate parent's treasury function which is located in the United States.

#### *Business review and future development*

During the financial year 318,169 shares in the company were purchased by Cilag Holding AG for a total consideration of USD 3,035 million (2013: USD 4,505 million) for the purpose of funding the company's operations. The ownership of the company did not change.

The total interest income for the year has decreased to USD 16 million (2013: USD 17 million). The average interest rate of the invested loans was approximately 0.1% in 2014 (2013: 0.1%). This average return is derived from the prevailing USD interest rates but is predominantly influenced by the US Treasury return which continues to show historic lows.

The profit for the financial year was USD 12 million (2013: USD 16 million) as shown in the profit and loss account on page 9. The directors have proposed no dividend payment (2013: no dividend) in respect of the year.

No changes to the company's principle activities are expected in the foreseeable future.

#### *Principal risks and uncertainties*

As the company operates as a finance company, the company does not have direct competitors but is subject to the risks outlined in the "financial risk management" on pages 12 – 13.

#### *Strategy*

The Company receives excess cash from the company's shareholder. With the excess cash the company grants loans to other Group companies ("Affiliates") or pays out the excess cash as dividend to the company's shareholder to enable the shareholder to invest in new acquisitions. Until the money is needed for any transactions, the company keeps the money in bank accounts and/or invests in Money Market Funds through the Johnson & Johnson Global Treasury Centre or through other Johnson & Johnson companies.

#### *Key performance indicators ("KPI's")*

Management focuses on three KPI's and monitors them on a monthly basis. These are the following:

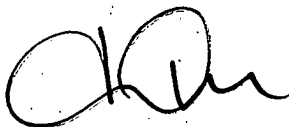
- Loans to group companies
- Total interest income
- Profit after taxation

Actual figures and results are compared with the latest business plan of the company.

# Johnson & Johnson Swiss Finance Company Limited

## Strategic report for the year ended 28 December 2014 (continued)

On behalf of the Board



Andrea Ostinelli  
Director



Pascal Hoorn  
Director

Zug, 25 September 2015

Johnson & Johnson Swiss Finance Company Limited  
Registered No. 0373477

# Johnson & Johnson Swiss Finance Company Limited

## Directors' report for the year ended 28 December 2014

The directors present their report and the audited financial statements of the company for the year ended 28 December 2014.

### Results and dividends

The profit and loss account for the financial year ended 28 December 2014 is set out on page 9.

The profit for the financial year was USD 12 million (2013: USD 16 million) as shown in the profit and loss account on page 9. The directors have proposed no dividend payment (2013: no dividend) in respect of the year.

### Branches

The company performs its business through its branch in Switzerland.

### Directors

The directors who held office during the year and to the date of signing these Financial Statements are given below:

Pascal Hoorn  
Andrea Ostinelli  
John Papa (resigned 29 Jan 2015)  
Gilbert Eyer (resigned 29 Jan 2015)  
Silvia Zimmermann Aeschbach (resigned 29 Jan 2015)  
Michel Racine (appointed 29 Jan 2015)  
Marco Vitali (appointed 29 Jan 2015)

### Statement of disclosure of information to auditors

Each of the directors who were in the office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the company's auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the company's auditors.

### 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 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
- 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

# Johnson & Johnson Swiss Finance Company Limited

## Directors' report for the year ended 28 December 2014 (continued)

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.

### Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

On behalf of the Board



Andrea Ostinelli  
Director



Pascal Hoorn  
Director

Zug, 25 September 2015

Johnson & Johnson Swiss Finance Company Limited  
Registered No. 03734777

# **Johnson & Johnson Swiss Finance Company Limited**

## **Independent auditors' report to the members of Johnson & Johnson Swiss Finance Company Limited**

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

#### **Our opinion**

In our opinion, Johnson & Johnson Swiss Finance Company Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 28 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 comprise:

- the Balance sheet as at 28 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 the preparation of the financial statements 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.



# **Johnson & Johnson Swiss Finance Company Limited**

## **Independent auditors' report to the members of Johnson & Johnson Swiss Finance Company Limited (continued)**

### **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 5, 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.

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.

Gavin Crawford (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading  
29 September 2015

# Johnson & Johnson Swiss Finance Company Limited

## Profit and loss account for the year ended 28 December 2014

	Note	2014 USD '000	2013 USD '000
Other operating income / expense	3	(2,034)	337
<b>Operating profit</b>		<b>(2,034)</b>	<b>337</b>
Interest receivable and similar income	5	15,705	16,727
Interest payable and similar charges	6	(1,145)	(828)
<b>Profit on ordinary activities before taxation</b>		<b>12,526</b>	<b>16,236</b>
Tax on profit on ordinary activities	7	(440)	(225)
<b>Profit for the financial year</b>		<b>12,086</b>	<b>16,011</b>

The results for the years shown above are derived entirely from continuing activities.

The company has no recognised gains and losses other than the results above, and therefore no separate statement of total recognised gains and losses has been presented.

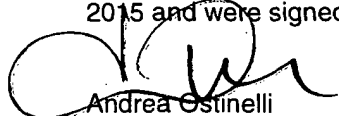
There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above, and their historical cost equivalent.

# Johnson & Johnson Swiss Finance Company Limited

## Balance sheet as at 28 December 2014

	Note	as at 28.12.2014 USD '000	as at 29.12.2013 USD '000
<b>Current assets</b>			
Financial assets - derivative financial instruments	11	3,640	2,916
Debtors – due within one year	9/ 11	20,571,369	17,578,141
Debtors – due after one year	9/ 11	104,957	59,920
Cash at bank and in hand	11	176	273
<b>Total current assets</b>		<b>20,680,142</b>	<b>17,641,250</b>
<b>Total assets</b>		<b>20,680,142</b>	<b>17,641,250</b>
<b>Current liabilities</b>			
Financial liabilities - Derivative financial instruments	11	(91)	(8,695)
Creditors – amounts owed to group undertakings	10	(20)	(8)
Creditors - other creditors including taxation and social security	10/11	(561)	(529)
<b>Total current liabilities</b>		<b>(672)</b>	<b>(9,232)</b>
<b>Total liabilities</b>		<b>(672)</b>	<b>(9,232)</b>
<b>Capital and reserves</b>			
Called up share capital	12	(3,624)	(3,087)
Share premium account	13	(20,098,728)	(17,063,899)
Profit and loss account	13	(577,118)	(565,032)
<b>Total shareholders' funds</b>	14	<b>(20,679,470)</b>	<b>(17,632,018)</b>
<b>Total equity and liabilities</b>		<b>(20,680,142)</b>	<b>(17,641,250)</b>

The financial statements on pages 9 to 20 were approved by the board of directors on 25 September 2015 and were signed on its behalf by

  
Andrea Ostinelli  
Director

  
Pascal Hoern  
Director

Zug, 25 September 2015  
Johnson & Johnson Swiss Finance Company Limited  
Registered No. 03734777

# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014

### 1 Accounting policies

#### Accounting Period

The accounting year ended 28 December 2014 consists of 52 weeks. For the purposes of these financial statements the year is referred to as 2014. The accounting period ended 29 December 2013 is referred to as 2013.

#### Basis of accounting

These Financial Statements have been prepared on 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. The principal accounting policies which have been applied consistently throughout the year are set out below.

#### Reporting currency

The reporting currency used in these Financial Statements is the United States Dollar ('USD') as the directors believe that this is the company's functional currency as the company operates in a capacity that serves the ultimate parent's treasury function which is located in the United States.

#### Cash flow statement and related party transactions

The company is a wholly owned subsidiary of Johnson & Johnson Inc. and is included in Johnson & Johnson Inc.'s consolidated Financial Statements, which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash-flow statement under the terms of FRS 1: cash flow statements (Revised 1996). The company is also exempt under the terms of FRS 8: related party transaction from disclosing related party transactions with entities that are part of the Johnson & Johnson group or investors of the group.

#### Debtors

Financial assets at fair value through profit or loss:

A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current.

Loans and receivables:

Loans are non-derivative financial assets with fixed payments that are not quoted in an active market. Debtors due within one year consist of loans to fellow group undertakings and accrued interest on those loans. All foreign currency loans and interest receivables are hedged. The company hold loans issued to various group companies.

#### Financial instruments

To hedge the foreign currency exposure of its foreign currency denominated loans, the company enters into cross-currency interest rate swaps and forward foreign exchange contracts. The company does not hold or issue derivative financial instruments for speculative purpose. The company's foreign currency swaps and cross-currency interest rate swaps are accounted and measured at fair value on the date a derivative contract is entered into and subsequently measured at fair value at each balance sheet date.

These forward foreign exchange contracts and cross-currency interest rate swaps are not designated as hedges, and, therefore, changes in the fair values of these instruments are recognized in the profit and loss account. To the extent that the maturity of the financial instrument is more than 12 months from the balance sheet date the fair value is reported as a non-current asset or liability. Derivative financial instruments with maturities of less than 12 months from the balance sheet are shown as current asset or liabilities.

# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014 (continued)

### 1 Accounting policies (continued)

#### Fair value estimation

The fair value of the company's cross-currency interest rate swaps and currency swaps is based on the market price of comparable instruments at the balance sheet date if they are publicly traded. The fair value of the forward currency contracts has been determined based on market forward exchange rates at the balance sheet date. The fair value of short-term deposits and loans are assumed to approximate their book values.

#### Foreign currencies

The company's Financial Statements are presented in US dollars, the functional currency of the company, being the currency of the primary economic environment in which the company operates.

All transactions denominated in foreign currencies are translated into US Dollars at the exchange rate on the date the transaction takes place. Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the exchange rate at the balance sheet date. All foreign exchange differences are taken to the profit and loss account in the period in which they arise.

At year-end GBP 1 (British Pound) was equivalent to USD 1.5542 (United States Dollar) and EUR 1.27404 (Euro).

#### Deferred taxation

Provision is made for deferred tax liabilities and assets, using full provision accounting, otherwise known as the incremental liability method, when an event has taken place by the balance sheet date which gives rise to an increased or reduced tax liability in the future in accordance with FRS 19: Deferred tax. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis for profits expected in the future.

### 2 Financial risk management

The company's operations expose it to a number of financial risks that include the effects of changes in debt market prices, credit risk, foreign currency risk, interest rate risk and liquidity risk. These risks are managed by the company's parent's global treasury centre in Belgium from which the company obtains regular reports to assist in monitoring exposures and managing associated risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and related finance costs.

#### a) Market Risk

##### Foreign exchange risk

More than 99% of the outstanding loans to various group companies are held in US Dollar (USD) and about 1% are held in British Pound (GBP). All foreign currency loans and interest receivables are hedged and on a monthly basis revaluated by the Global Treasury Centre based on Mark-to-Market.

# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014 (continued)

### 2 Financial risk management (continued)

Regarding the impact of foreign exchange movements and the evaluation of the impact of these movements the following policy is adopted by Johnson & Johnson:

- All foreign currency exposures are hedged back to the functional currency of the company (USD), so there is no open foreign currency exposure
- A mark to market on the hedge positions is undertaken on a monthly basis in order to determine the swap income/expense result. The result of this exercise provides an insight into the impact of the interest differential and the prevailing exchange rate on the underlying hedge. This result does not influence the policy stated in point 1.

The company operates internationally and is subject to foreign exchange risks in relation to loans issued to various group companies. The company's exposures arise with respect to the US dollar against the GBP and EUR. To mitigate risks associated with the future repayment of such loans, the company enters into foreign currency swaps as well as cross-currency interest rate swaps.

#### **Interest rate risk**

The company has issued loans at fixed rates, which expose the company to fair value interest rate risk. The company mitigates interest rate risk on non-USD long term loans (loans greater than one year) through cross-currency interest rates swaps which have the economic effect of converting fixed rate borrowings in one currency into fixed rate USD borrowings. All of the company's issued loans are at fixed rates. The primary exposure of the interest rate risk is on the short term Intercompany lending activity. Short term foreign currency loan exposure is hedged into USD using forward foreign exchange swaps and the risk is therefore limited to a USD interest rate movement. The hedging policy of the Johnson and Johnson group ensures that interest rate risk is focussed on USD interest rates, which is the functional currency of Johnson and Johnson Swiss Finance Company.

#### **b) Credit Risk**

The company is exposed to credit risk as its loans are provided to counterparties. These loans are provided to other companies of the Johnson & Johnson Group therefore the credit risk pertains to affiliate companies in Johnson & Johnson Group. The borrowing activities of these counterparties are actively monitored by the Johnson & Johnson Treasury department to ensure that appropriate limits are in place and adhered to.

The investment of the excess cash and the selection of our bank partners is based on a "safe harbour" approach (e.g. AAA-ratings). Also our cash management partner GTSC (Global Treasury Service Centre) as a Johnson & Johnson company is AAA rated (Johnson & Johnson stock exchange rating).

#### **c) Liquidity risk**

Prudent liquidity risk management requires maintaining sufficient cash reserves, the availability of funding through an adequate amount of credit facility and the ability to close out market positions.

Management monitors rolling forecasts of the company's liquidity reserve together with Global Treasury Centre in the process of updating the business forecast.

The company is funded primarily through the repayment of principal and interest on its issued loans and in some instances borrowings from a treasury centre of its parent.

# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014 (continued)

### 2 Financial risk management (continued)

#### d) Capital Risk Management

The Group's objective when managing capital is to safeguard the Group's ability to continue as going concern in order to provide returns for shareholders and benefits for other stakeholders. The self-financing and debt ratio are monitored on a regular basis. The self-financing ratio is calculated as shareholders' funds divided by total asset. The debt ratio is calculated as total liabilities divided by total assets.

#### e) Sensitivity Analysis

The Interest Rate Sensitivity shows for 2014 the following impact: In case the LIBOR would be 50bps (bps = basis points) higher the Interest Income would be 17.4 million USD higher. In case the LIBOR would be 100bps higher the Interest Income would be 34.9 million USD higher.

### 3 Operating profit

Operating profit is stated after (charging)/crediting:

	2014 USD '000	2013 USD '000
Wages and salaries	(79)	(79)
Social security costs	(19)	(19)
Staff costs	(98)	(98)
Other administrative expenses	(203)	(259)
Services provided by the Company's auditors		
– Fees payable for the audit	(69)	(68)
Foreign exchange loss / gain	(1,664)	762
<b>Total</b>	<b>(2,034)</b>	<b>337</b>

### 4 Employee information

The average monthly number of persons employed by the company during the year was:

By activity	2014 Number	2013 Number
Administration	1	1

# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014 (continued)

### 5 Interest receivable and similar income

	2014 USD '000	2013 USD '000
On loans owed by group undertakings	15,637	16,332
Interest income third party	68	395
<b>Total interest receivable and similar income</b>	<b>15,705</b>	<b>16,727</b>

### 6 Interest payable and similar charges

	2014 USD '000	2013 USD '000
Interest expense	(1,145)	(828)
<b>Total interest payable and similar charges</b>	<b>(1,145)</b>	<b>(828)</b>

### 7 Tax on profit on ordinary activities

	2014 USD '000	2013 USD '000
Swiss corporation tax on profit for the year	(440)	(225)
<b>Total tax on profit on ordinary activities</b>	<b>(440)</b>	<b>(225)</b>

The tax assessed is different than the standard corporation tax rate in Switzerland. The details are explained below:

	2014 USD '000	2013 USD '000
Profit on ordinary activities before taxation	12,526	16,236
Tax rate	3.2%	1.4%
Income tax expense	(404)	(232)
Prior year tax adjustments	(36)	7
<b>Current tax (charge)/refund for the year</b>	<b>(440)</b>	<b>(225)</b>

There are no amounts provided or un-provided in respect of deferred taxation (2013: USD nil).

### 8 Directors' emoluments

The directors' services to the company are of a non-executive nature and their emoluments, paid by Cilag GmbH International, another group company, are deemed to be wholly attributable to their services to Cilag GmbH International. Accordingly no emoluments are disclosed in these Financial Statements.



# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014 (continued)

### 9 Debtors

	2014 USD '000	2013 USD '000
Debtors by currency		
Amounts owed by group undertakings in GBP	109,037	120,267
Amounts owed by group undertakings in EUR	-	441,991
Amounts owed by group undertakings in USD	20,567,289	17,075,803
<b>Total debtors</b>	<b>20,676,326</b>	<b>17,638,061</b>

### Maturity overview

The maturity analysis of the debtors is as follows:

	2014 USD '000	2013 USD '000
Up to 3 months	282	17,570,513
3 – 6 months	690	-
Over 6 months	20,675,354	67,548
<b>Total debtors</b>	<b>20,676,326</b>	<b>17,638,061</b>

Amounts owed by group undertakings are unsecured.

The company has never incurred a loss as a result of bad debt. All counterparties were able to repay loan and interest on time and in accordance with the loan agreement.

The balance with the European Treasury Company (ETC) as shown below is reported in the over 6 months maturity as the movements in 2015 were not significant. The contract grants a full withdrawal at any time with maximum 5 working days' notice, hence the nature would indicate an up to 3 months practice versus over 6 months.

	2014 USD '000	2013 USD '000
Johnson & Johnson European Treasury Company (including Money Market Fund)	20,567,289	6,201,510
Tibotec VA, Belgium	-	441,991
Ethicon PR Ireland	-	4,023,724
Johnson & Johnson Finance Ltd., UK	109,037	120,267
CNA Development LLC, USA	-	2,515,289
Turnbuckle Investment Company	-	4,335,280
<b>Total debtors</b>	<b>20,676,326</b>	<b>17,638,061</b>

### 10 Creditors – amounts falling due within one year

	2014 USD '000	2013 USD '000
Amounts owed to group undertakings	(20)	(8)
Other creditors	(500)	(459)
Taxation and social security	(61)	(70)
<b>Total creditors</b>	<b>(581)</b>	<b>(537)</b>

# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014 (continued)

### 11 a) Financial instruments by category

	Assets at fair value through profit and loss USD '000	Loans and receivables USD '000	Total USD '000
<b>2014</b>			
<b>Assets as per balance sheet:</b>			
Derivative financial instruments	3,640	-	3,640
Loans and other receivables	-	20,676,326	20,676,326
Cash and cash equivalents	176	-	176
<b>Total</b>	<b>3,816</b>	<b>20,676,326</b>	<b>20,680,142</b>

	Liabilities at fair value through profit and loss USD '000	Other financial liabilities USD '000	Total USD '000
<b>2014</b>			
<b>Liabilities as per balance sheet:</b>			
Creditors – amounts owed to group undertakings	-	(20)	(20)
Creditors - other	-	(561)	(561)
Derivative financial instruments	(91)	-	(91)
<b>Total</b>	<b>(91)</b>	<b>(581)</b>	<b>(672)</b>

	Assets at fair value through profit and loss USD '000	Loans and receivables USD '000	Total USD '000
<b>2013</b>			
<b>Assets as per balance sheet</b>			
Derivative financial instruments	2,916	-	2,916
Loans and other receivables	-	17,638,061	17,638,061
Cash and cash equivalents	273	-	273
<b>Total</b>	<b>3,189</b>	<b>17,638,061</b>	<b>17,641,250</b>

	Liabilities at fair value through profit and loss USD '000	Other financial liabilities USD '000	Total USD '000
<b>2013</b>			
<b>Liabilities as per balance sheet</b>			
Creditors – amounts owed to group undertakings	-	(8)	(8)
Creditors - other	-	(529)	(529)
Derivative financial instruments	(8,695)	-	(8,695)
<b>Total</b>	<b>(8,695)</b>	<b>(537)</b>	<b>(9,232)</b>

# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014 (continued)

### 11 b) Derivative financial instruments

USD '000	2014 Assets	2014 Liabilities	2013 Assets	2013 Liabilities
<b>Cash flow hedges</b>				
Cross-currency interest rate swaps	3,640	(91)	2,916	(8,695)
<b>Total derivative financial assets/ (liabilities)</b>	<b>3,640</b>	<b>(91)</b>	<b>2,916</b>	<b>(8,695)</b>

The maturity of the financial assets and liabilities measured at fair value can be analysed as follows:

USD '000	2014 Assets	2014 Liabilities	2013 Assets	2013 Liabilities
<b>Derivative financial assets/ (liabilities):</b>				
Due within one year	3,640	(91)	2,916	(8,695)
<b>Total derivative financial assets/ (liabilities)</b>	<b>3,640</b>	<b>(91)</b>	<b>2,916</b>	<b>(8,695)</b>
<b>Debtors/ (creditors):</b>				
Due within one year	20,571,369	(561)	17,578,141	(537)
<b>Total financial assets/ (liabilities) - current</b>	<b>20,575,009</b>	<b>(652)</b>	<b>17,581,058</b>	<b>(9,232)</b>
Due in more than one year	104,957	-	59,920	-
<b>Total financial assets - non current</b>	<b>104,957</b>	<b>-</b>	<b>59,920</b>	<b>-</b>
<b>Total financial assets/ (liabilities)</b>	<b>20,679,966</b>	<b>(652)</b>	<b>17,640,977</b>	<b>(9,232)</b>

#### *Interest rate swaps*

The notional principal amount of the cross-currency interest rate swap contracts at 29 December 2013 and 28 December 2014 was USD 120.3 million and USD 114.1 million respectively. The cross-currency swaps have the effect of converting fixed rate GBP borrowings at rates between 1.14% and 3.78% to fixed rate US dollar borrowings at rates between 1.14% and 2.47% depending on maturity.

# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014 (continued)

### 12 Called up share capital

	2014 USD '000	2013 USD '000
<b>Allotted issued and fully paid:</b>		
2,220,932 (2013: 1,902,763) ordinary shares of £1 each	(3,624)	(3,087)

During the financial year 318,169 shares in the company were purchased by Cilag Holding AG for total consideration of USD 3,035 million (2013: USD 4,505 million). The increase in ordinary shares amounts to USD 537 thousand and the increase in share premium amounts to USD 3,035 million.

### 13 Reserves

	Share premium account USD '000	Profit and loss account USD '000
<b>At 29 December 2013</b>	(17,063,899)	(565,032)
Premium on ordinary shares issued	(3,034,829)	-
Profit for the financial year	-	(12,086)
<b>At 28 December 2014</b>	<b>(20,098,728)</b>	<b>(577,118)</b>

### 14 Reconciliation of movements in shareholders' funds

	2014 USD '000	2013 USD '000
Opening shareholders' funds	(17,632,018)	(13,110,800)
Profit for the year	(12,086)	(16,011)
Net proceeds of issue of ordinary share capital (note 12)	(3,035,366)	(4,505,207)
<b>Closing shareholders' funds</b>	<b>(20,679,470)</b>	<b>(17,632,018)</b>

# Johnson & Johnson Swiss Finance Company Limited

## Notes to the Financial Statements for the year ended 28 December 2014 (continued)

### 15 Ultimate and immediate parent companies and controlling party

The immediate parent company is Cilag Holding AG, a company registered in Switzerland.

The directors regard Johnson & Johnson Inc., a company registered in the United States of America, as the ultimate parent company and controlling party. This is the smallest and largest group of which the company is a member and for which group financial statements are prepared. Copies of the consolidated financial statements may be obtained from Johnson & Johnson, One Johnson & Johnson Plaza, New Brunswick, New Jersey, 08933, USA.

### 16 Shareholder

	2014	2013
Cilag Holding AG, registered in Zug, Switzerland	100%	100%