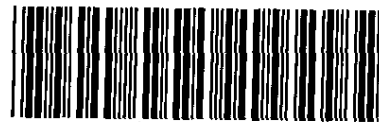


**JAMIE OLIVER HOLDINGS LIMITED**  
**REPORT AND CONSOLIDATED FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2016**

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# JAMIE OLIVER HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	J T Oliver L Holland P Hunt J Gregory
<b>Secretary</b>	J Dewar
<b>Company number</b>	04460800
<b>Registered office</b>	19-21 Nile Street London N1 7LL
<b>Auditors</b>	RSM UK Audit LLP Chartered Accountants Marlborough House Victoria Road South Chelmsford Essex CM1 1LN

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# JAMIE OLIVER HOLDINGS LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2016

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The directors present the strategic report and financial statements for the year ended 31 December 2016.

#### **Fair review of the business**

The Jamie Oliver Holdings Group comprises a number of businesses that cover all the media interests of Jamie Oliver; primarily TV and digital production and distribution, book and magazine publishing, sponsorship and endorsements, and royalty streams derived from the Licensing and Restaurant businesses operating under the Jamie Oliver brand.

As described in the 2014 and 2015 Strategic Reports, the Group has pursued a strategy of focusing resources on core activities. As a result of this strategy, revenues have declined from £31.9m in 2015 to £30.0m in 2016. This has been primarily due to a decision to focus our television production business on production relating to Jamie Oliver himself, rather than a broader based stable of content. This decline in television production revenue has been partially off-set by an increase in other, more profitable, revenue streams.

Accordingly the Group has delivered significantly improved returns on revenues and assets. The Group primarily measures financial performance in terms of EBITDA, which for 2016 was £5.6m (2015: £1.7m). The principal drivers of this improved profitability were:

- The delivery of successful new Jamie Oliver titles in both Book and TV formats during the year;
- A very strong performance from back catalogue titles, and across key overseas territories;
- The presence in 2015 figures of exceptional costs of approximately £1.6m in relation to the closure of the final Recipease trading site and the refocus of that business upon cookery training;
- A reduction of £2.7m in Administration Expenses has been achieved predominantly as a result of discontinued activities, this has been partially off-set by the provision of £0.6m against a related party debt in 2016.

During the year the Group generated positive cash flows of approximately £8.6m pre-dividend (2015: negative £2.1m). This was partly due to improved underlying performance, and partly through receiving income relating to future years in advance. Future income received has been treated as deferred income, which has been the predominant reason for the increase of £4.5m in creditors at the year end. Group cash balances at the year end were £7.0m (2015: £2.4m).

Loans made to related parties in the year are disclosed in note 31 and post year end a further loan of £2m has been made. Loans made to directors are disclosed in note 34.

Post year-end (April 2017), the Board approved the effective divestment of the Television Commercial Production business performed under the name of Fat Lemon Productions Ltd. This was a management buy-out in the form of an asset sale.

#### **Risks and uncertainties**

The Board recognises that the Jamie Oliver brand is a key asset of the Group. The directors and management are very much focused on ensuring that the brand is managed well and protected. Consequently controls are in place to ensure the brand's security.

The Group's performance depends on the economic conditions and consumer confidence in the UK and overseas. Management strive to deliver innovative products to its partners and customers that provide excellent value and service. The Group aims to minimize the impact of the difficulties of the economic climate by entering into contracts that benefit future years. Cash management is a top priority of management, coupled with stringent controls of expenditure.

The Board regularly reviews the financial requirements of the Group and the risks associated therewith. Group operations are primarily financed from retained earnings. The Group also has normal trading balances such as receivables, trade payables and accruals that arise directly from the Group's operations. Further information is provided in note 22 to the financial statements.

# JAMIE OLIVER HOLDINGS LIMITED

## STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

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### Risks and uncertainties (continued)

The Group has access to overdraft facilities under the terms of its banking arrangements with its bank (HSBC), which the Board considers as adequate for its immediate needs. The Group does not use complicated financial instruments.

### Key performance indicators

The Board regularly reviews key performance indicators. These are principally:

- Sales: both prospective and historical sales, and periodical royalty reports from each of our key partners.
- Profitability: EBITDA is reviewed on a monthly basis against the approved budget; any variances are investigated and reported back to the Board.
- Cash Flow: Rolling twelve month cash flow forecasts are prepared each month and reviewed by the Directors.

Consideration of these key performance indicators is included above in the Review of Business Section above.

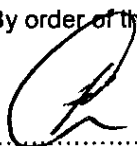
### Future developments

The directors believe that the Group is well placed for future growth, based on:

- A clear track of new product supported by our key partners in Publishing, Broadcasting, Distribution, Brand Endorsement, Product and Licensing. We have secured multi-year deals with each of our core partners in order to secure our model for content and IP creation.
- A strategy for International development of the Jamie Oliver brand.
- Developing and promoting new digital and online content in support of the above.
- Realising the value of our extensive asset base of historic content.

The Group's performance depends largely on its executive management team and staff. The ability to retain and recruit people of the right calibre is critical to the success of the business. The Board value the hard work of all Group employees and is very grateful for their continued support and diligence.

By order of the board



J Dewar  
Secretary

25/07/2017

# JAMIE OLIVER HOLDINGS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2016

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The directors present their report and financial statements for the year ended 31 December 2016.

#### Principal activities

The Group's principal activities during the year were developing and producing multimedia programming and artistic and literary creation. The principal activity of the company was that of a holding company.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J T Oliver  
L Holland  
T O'Neill (resigned 14 October 2016)  
P Hunt  
J Gregory (appointed 23 May 2016)

#### Results and dividends

The Group's profit on ordinary activities before taxation for the year was £5,383,179 (2015: £1,044,086). After taking into account non-controlling interests and taxation the trading profit for the year was £4,256,615 (2015: £705,968). The 2015 results are after exceptional items and the related tax of £1,447,897.

An interim dividend of £40,000 per ordinary B share was paid in the year (2015: £Nil). The directors do not recommend the payment of a final dividend.

#### Qualifying third party indemnity provisions

Qualifying third party indemnity provision is in place for the benefit of all directors of the company, group companies and associated companies.

#### Auditor

RSM UK Audit LLP, Chartered Accountants, has indicated its willingness to be reappointed for another term.

#### Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the group's auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditor is aware of that information.

#### Matters of Strategic Importance

Information in respect of future developments is not shown within the Directors' Report as it is instead included within the Strategic Report under S414c(11).

Details of liquidity and cash flow risk assessments are included in the Strategic Report. The board continuously monitor credit risk by assessing the financial performance of its major debtors and where deemed necessary, provisions are made against amounts unlikely to be recovered.

By order of the board



.....  
J Dewar  
Secretary

25/07/2017  
.....

# **JAMIE OLIVER HOLDINGS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors are responsible for preparing the Directors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAMIE OLIVER HOLDINGS LIMITED

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## **Opinion on the financial statements**

We have audited the group and parent company financial statements (the "financial statements") on pages 7 to 35. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2016 and of the group's 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.

## **Scope of the audit of the financial statements**

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

## **Opinion on other matters 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 and, based on the work undertaken in the course of our audit, the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAMIE OLIVER HOLDINGS LIMITED

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## Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

KERRY NORMAN (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Marlborough House  
Victoria Road South  
Chelmsford  
Essex  
CM1 1LN

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**JAMIE OLIVER HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 Total £	2015 Total £
Turnover	3	29,961,063	31,928,659
Cost of sales		(11,449,281)	(13,794,963)
<b>Gross profit</b>		<u>18,511,782</u>	<u>18,133,696</u>
Other operating expenses (net)	4	(13,316,187)	(15,499,526)
Other operating expenses (exceptional)	5	-	(1,603,103)
<b>Operating profit</b>		<u>5,195,595</u>	<u>1,031,067</u>
Share of results of associates		104,849	66,986
<b>Profit on ordinary activities before interest and investment income</b>		<u>5,300,444</u>	<u>1,098,053</u>
Interest receivable and similar income	6	103,045	4,515
Interest payable and similar expenses	7	(20,310)	(58,482)
<b>Profit on ordinary activities before taxation</b>	8	<u>5,383,179</u>	<u>1,044,086</u>
Taxation	12	(1,135,933)	(356,843)
<b>Profit for the financial year</b>		<u>4,247,246</u>	<u>687,243</u>
<b>Profit for the year attributable to:</b>			
Owners of the parent		4,256,615	705,968
Non-controlling interests	35	(9,369)	(18,725)
<b>Profit for the year</b>		<u>4,247,246</u>	<u>687,243</u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

# JAMIE OLIVER HOLDINGS LIMITED

Company registration no. 04460800

## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	Group		Company	
		2016	2015	2016	2015
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	14	221,667	256,667	-	-
Tangible assets	15	222,128	423,223	69,371	94,191
Investments	16	101,645	94,296	1,870,919	1,660,441
		<u>545,440</u>	<u>774,186</u>	<u>1,940,290</u>	<u>1,754,632</u>
<b>Current assets</b>					
Stocks	19	48,928	88,530	-	-
Debtors	20	13,024,487	12,640,332	5,237,138	1,363,845
Cash at bank and in hand		7,014,210	2,377,196	6,459,108	1,953,170
		<u>20,087,625</u>	<u>15,106,058</u>	<u>11,696,246</u>	<u>3,317,015</u>
<b>Creditors: amounts falling due within one year</b>	21	(14,209,676)	(9,650,331)	(11,792,207)	(2,997,483)
Net current assets/(liabilities)		<u>5,877,949</u>	<u>5,455,727</u>	<u>(95,961)</u>	<u>319,532</u>
<b>Total assets less current liabilities</b>		<u>6,423,389</u>	<u>6,229,913</u>	<u>1,844,329</u>	<u>2,074,164</u>
<b>Provisions for liabilities</b>					
Deferred tax	24	-	-	(6,800)	(7,778)
<b>Net assets</b>		<u>6,423,389</u>	<u>6,229,913</u>	<u>1,837,529</u>	<u>2,066,386</u>
<b>Capital and reserves</b>					
Called up share capital	26	200	200	200	200
Profit and loss account		6,118,525	5,995,751	1,837,329	2,066,186
<b>Capital and reserves attributable to owners of the parent</b>		<u>6,118,725</u>	<u>5,995,951</u>	<u>1,837,529</u>	<u>2,066,386</u>
<b>Capital and reserves attributable to non-controlling interests</b>	35	304,664	233,962	-	-
<b>Total equity</b>		<u>6,423,389</u>	<u>6,229,913</u>	<u>1,837,529</u>	<u>2,066,386</u>

The company's profit and total comprehensive income for the year was £3,771,143 (2015: £1,675,628).

The financial statements were approved by the board of directors and authorised for issue on 25/07/2017 and are signed on its behalf by:

  
J Gregory  
Director

# JAMIE OLIVER HOLDINGS LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Profit and loss account £	Total £
<b>Balance at 1 January 2015</b>		200	6,324,617	6,324,817
Profit and total comprehensive income for the year		-	705,968	705,968
Transactions with owners:				
Decrease in ownership of Jamie Oliver Productions Limited (previously Fresh One Productions Limited)		-	(689,220)	(689,220)
Purchase of shares in Jamie Oliver Productions Limited (previously Fresh One Productions Limited) from non-controlling interest		-	(316,025)	(316,025)
Purchase of shares in Jamie Magazine Limited from non-controlling interest		-	(29,589)	(29,589)
<b>Balance at 31 December 2015</b>		<u>200</u>	<u>5,995,751</u>	<u>5,995,951</u>
Profit and total comprehensive income for the year		-	4,256,615	4,256,615
Transactions with owners:				
Dividends	13	-	(4,000,000)	(4,000,000)
Purchase of shares in Jamie Oliver Productions Limited (previously Fresh One Productions Limited) from non-controlling interest	28	-	8,223	8,223
Purchase of shares in Jamie Magazine Limited from non-controlling interest	28	-	(142,064)	(142,064)
<b>Balance at 31 December 2016</b>		<u>200</u>	<u>6,118,525</u>	<u>6,118,725</u>

**JAMIE OLIVER HOLDINGS LIMITED**  
**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	Share capital £	Profit and loss account £	Total £
<b>Balance at 1 January 2015</b>		200	390,558	390,758
Profit and total comprehensive income for the year		-	1,675,628	1,675,628
<b>Balance at 31 December 2015</b>		<u>200</u>	<u>2,066,186</u>	<u>2,066,386</u>
Profit and total comprehensive income for the year		-	3,771,143	3,771,143
Transactions with owners:				
Dividends	13	-	(4,000,000)	(4,000,000)
<b>Balance at 31 December 2016</b>		<u>200</u>	<u>1,837,329</u>	<u>1,837,529</u>

**JAMIE OLIVER HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	33	8,988,585	992,715
Interest paid		(20,310)	(58,482)
Income taxes paid		(429,444)	(1,466,715)
<b>Net cash from/(used in) operating activities</b>		<u>8,538,831</u>	<u>(532,482)</u>
<b>Investing activities</b>			
Acquisition of subsidiaries net of cash acquired		-	15,636
Acquisition of non-controlling interest		(53,770)	(1,331,450)
Receipts in respect of disposal of associate		-	426,000
Purchase of tangible fixed assets		(75,705)	(312,517)
Proceeds on disposal of tangible fixed assets		30,290	-
Dividends received from associates		97,500	90,000
Dividends paid to non-controlling interest shareholders		-	(403,500)
Interest received		103,045	4,515
<b>Net cash from/(used in) investing activities</b>		<u>101,360</u>	<u>(1,511,316)</u>
<b>Financing activities</b>			
Payment of obligations under finance leases		-	(19,794)
Dividends paid		(4,000,000)	-
<b>Net cash used in financing activities</b>		<u>(4,000,000)</u>	<u>(19,794)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		4,640,191	(2,063,592)
<b>Cash and cash equivalents at beginning of year</b>		2,374,019	4,437,611
<b>Cash and cash equivalents at end of year</b>		<u>7,014,210</u>	<u>2,374,019</u>
<b>Relating to:</b>			
Bank balances included in cash at bank and in hand		7,014,210	2,377,196
Overdrafts included in "creditors: amounts falling due within one year"		-	(3,177)
		<u>7,014,210</u>	<u>2,374,019</u>

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 1 Accounting policies

##### Company information

Jamie Oliver Holdings Limited ("the company") is a private company limited by shares registered, domiciled and incorporated in England and Wales. The registered office and principal place of business is 19-21 Nile Street, London, N1 7LL.

The group consists of Jamie Oliver Holdings Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of operations are disclosed in the Directors Report.

##### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention. The principal accounting policies are set out below.

The consolidated financial statements are presented in sterling which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

##### Company statement of comprehensive income

As permitted by s408 Companies Act 2006, the company has not presented its own statement of comprehensive income.

##### Reduced disclosures

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements as a qualifying entity:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

The financial statements of the company are included within these consolidated financial statements of Jamie Oliver Holdings Limited.

##### Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Basis of consolidation

The consolidated financial statements incorporate those of Jamie Oliver Holdings Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the acquisition method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2016.

**JAMIE OLIVER HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1 Accounting policies (continued)**

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

*Non-controlling interests*

Under section 35 of FRS 102, the changes to the requirements for accounting for non-controlling interests may not be applied retrospectively. Under previous UK GAAP, provisions were made against negative non-controlling interests to restrict the balances to the amount deemed recoverable. Under FRS 102 negative non-controlling interest is recognised in full where non-controlling interest share of results for the period is negative. When the group's interest in a subsidiary is increased, an adjustment is made to release the part of the historic provision which relates to the non-controlling interest disposed of.

*Change in interest where control is not obtained or lost*

Where an interest in a subsidiary is increased or reduced, but control is not obtained or lost, the difference between the fair value of any consideration paid or received and the change to the non-controlling interest is recognised directly in equity and attributed to owners of the parent.

**Turnover**

Turnover represents the invoiced value, net of Value Added Tax, of programme productions and licencing and royalty income.

Income from the licencing of programmes to television networks is recognised when the group obtain contractual rights to the amounts due.

Income from production of programmes is recognised in accordance with the terms of the contract which reflect each stage of the production.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated based on the level of completion at the year end, with reference to the percentage of total costs incurred to date.

Royalty income is recognised on an accruals basis.

**Intangible fixed assets - goodwill**

Goodwill representing the excess of the consideration for an acquired undertaking compared with the fair value of net assets acquired is capitalised and written off evenly over three to five years as in the opinion of the directors this represents the period over which the goodwill is effective. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

When the fair value of the consideration for an acquired undertaking is less than the fair value of the separable net assets, the difference is treated as negative goodwill which, up to the value of the non-monetary assets acquired, is recognised in the profit and loss account in the period in which those non-monetary assets are realised.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 1 Accounting policies (continued)

Any negative goodwill in excess of the fair value of the non-monetary assets acquired is recognised in the profit and loss account in the periods expected to be benefited.

#### **Intangible fixed assets other than goodwill**

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Image rights	10 years
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On disposal the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

#### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset to its estimated residual value over its expected useful life, as follows:

Leasehold improvements	over the remaining lease term
Computer equipment	33.3% straight line
Fixtures, fittings and equipment	15% to 33.3% straight line
Motor vehicles	20% straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **Impairments of fixed assets**

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairments of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

Any impairment loss recognised for goodwill is not reversed. For fixed assets other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.



# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies (continued)

##### **Fixed asset investments**

In the separate accounts of the company, interests in subsidiaries and associates are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity in which the group holds a long term interest and where the group has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

##### **Associates**

Undertakings in which the group has significant influence (i.e. the power to participate in the financial and operating policy decisions but not control or joint control over those policies) are classified as associates. The group's share of the results, other comprehensive income and equity of associates are accounted for using the equity method based on the associate's results to 31 December.

Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill.

All unrealised profit or losses on transactions with the associate are eliminated to the extent of the group's interest, except where unrealised losses provide evidence of an impairment. Where necessary, adjustments are made to bring the accounting policies of the associate into line with those used by the group.

Dividends received from the associate reduce the carrying amount of the investment.

Losses in an associate that reduce the carrying amount of the investment in the associate to below zero are not recognised, but a provision is recognised to the extent that the group has an obligation to or has made payments on behalf of the associate.

##### **Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provisions are made against slow moving and obsolete stock.

##### **Long term contracts**

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies (continued)

##### **Financial Instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets and financial liabilities are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument, and are offset only when the group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### **Financial assets**

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables, accrued income and balances with associated companies are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

##### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

##### *Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities and equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Financial liabilities**

Basic financial liabilities, including trade and other payables, accruals and balances with fellow group and associated companies, are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled, or they expire.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies (continued)

##### Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the year end 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 year end date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries and associates that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

##### Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that 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 consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies (continued)

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

##### *Onerous leases*

Provisions are made against operating leases where the unavoidable costs of meeting the lease obligations exceed the economic benefits received.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Provision is made for liabilities arising in respect of expected amounts due in conjunction with long term staff incentive schemes.

##### **Retirement benefits**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable. Differences between contributions payable in the year and contributions actually paid are shown in either accruals or prepayments in the statement of financial position.

##### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

##### **Foreign exchange**

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

##### **Research and development costs**

Research expenditure is written off against profits in the year in which it is incurred.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

#### *Provisions*

The group has recognised provisions for impairment of other debtors and in relation to income tax in its financial statements which required management to make judgements. The judgements, estimates and associated assumptions necessary to calculate these provisions are based on historical experience and other reasonable assumptions.

#### *Useful lives of property, plant and equipment*

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives of the company's assets are determined by management at the time the asset is acquired and reviewed at least annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

#### *Long-term contracts*

The group has made an assessment on the stage of completion of long-term contracts not complete at the reporting date. Such assessments determine the amount of turnover and related costs recognised in the profit and loss account.

#### 3 Turnover

A full analysis of turnover and profit before taxation by class of business and the geographical analysis of turnover has not been given as in the opinion of the directors such disclosure would be seriously prejudicial to the interests of the group.

An analysis of the significant types of the group's turnover is as follows:

	2016 £	2015 £
Royalties, endorsements and licensing income	18,715,121	16,563,286
Production income	9,229,442	12,616,107
Magazine publishing	1,180,592	1,693,541
Other income	835,908	1,055,725
	<u>29,961,063</u>	<u>31,928,659</u>

All turnover relates to the provision of services, with the exception of magazine publishing which relates to the sale of goods.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

<b>4</b>	<b>Other operating expenses (net)</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	Distribution expenses	211,761	342,127
	Administration expenses	13,637,473	15,709,862
	Other operating income	(533,047)	(552,463)
		<u>13,316,187</u>	<u>15,499,526</u>
		<u><u>13,316,187</u></u>	<u><u>15,499,526</u></u>
<b>5</b>	<b>Exceptional items within administrative expenses</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	Bad debt provision against balance due from Recipease Limited prior to purchase	-	408,770
	Closure costs in Recipease Limited (including impairment of tangible fixed assets)	-	1,641,591
	Provision against negative goodwill in relation to the acquisition of Recipease Limited	-	(447,258)
		<u>-</u>	<u>1,603,103</u>
		<u><u>-</u></u>	<u><u>1,603,103</u></u>
	During the prior year Jamie Oliver Limited, a subsidiary, acquired 100% of the issued share capital of Recipease Limited.		
<b>6</b>	<b>Interest receivable and similar income</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	<b>Interest on financial assets measured at amortised cost:</b>		
	Interest on bank deposits	692	948
	Other interest	102,353	3,567
		<u>103,045</u>	<u>4,515</u>
		<u><u>103,045</u></u>	<u><u>4,515</u></u>
<b>7</b>	<b>Interest payable and similar charges</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	<b>Interest on financial liabilities measured at amortised cost:</b>		
	Interest on bank overdrafts	2,128	13,743
	Other interest	18,182	44,739
		<u>20,310</u>	<u>58,482</u>
		<u><u>20,310</u></u>	<u><u>58,482</u></u>

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

<b>8</b>	<b>Profit on ordinary activities before taxation</b>	<b>2016</b>	<b>2015</b>
		£	£
	Profit on ordinary activities before taxation is stated after charging/(crediting):		
	Exchange gains	(63,555)	(11,008)
	Depreciation of owned tangible fixed assets	234,513	494,059
	Depreciation of tangible fixed assets held under finance leases	-	32,999
	Impairment of tangible fixed assets	-	814,871
	Loss on disposal of tangible fixed assets	11,997	2,338
	Profit on disposal of associated undertakings	-	(298,324)
	Amortisation of intangible assets	35,000	35,000
	Negative goodwill written off to profit and loss	-	(447,258)
	Operating lease rentals	793,837	773,526
	Cost of stock recognised as an expense	687,588	679,288
		<u>                    </u>	<u>                    </u>

<b>9</b>	<b>Auditor's remuneration</b>	<b>2016</b>	<b>2015</b>
		£	£
	Fees payable to the company's auditor and its associates		
	<b>For audit services:</b>		
	Audit of the group's and company's financial statements	57,675	62,890
	<b>For other services:</b>		
	Taxation compliance services	22,385	31,055
	All other non-audit services	39,833	40,338
		<u>                    </u>	<u>                    </u>
		62,218	71,393
		<u>                    </u>	<u>                    </u>

#### 10 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	Group		Company	
	2016 No	2015 No	2016 No	2015 No
Office and management	158	204	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 10 Employees (continued)

Their aggregate remuneration comprised:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Wages and salaries	8,582,425	11,834,102	-	-
Social security costs	1,038,087	1,200,721	-	-
Defined contribution pension costs	341,435	457,408	-	-
	<u>9,961,947</u>	<u>13,492,231</u>	<u>-</u>	<u>-</u>

#### 11 Directors' remuneration

	2016	2015
	£	£
Remuneration for qualifying services	1,289,526	1,337,656
Amounts receivable under long-term incentive schemes	-	73,552
Company contributions to defined contribution pension schemes	37,096	72,403
	<u>1,326,622</u>	<u>1,483,611</u>

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 3 (2015: 3).

The number of directors who benefited under long term incentive schemes during the year was Nil (2015: 1).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2016	2015
	£	£
Remuneration for qualifying services	<u>595,590</u>	<u>595,507</u>



# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

12 Taxation	2016 £	2015 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	1,172,836	294,414
Adjustments in respect of prior periods	(50,085)	24,683
Foreign corporation tax	37,545	108,262
Adjustments in respect of prior periods	-	(68,526)
<b>Total current tax</b>	<u>1,160,296</u>	<u>358,833</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(14,544)	(3,998)
Changes in tax rates	1,823	2,008
Adjustment in respect of prior periods	(11,642)	-
<b>Total deferred tax</b>	<u>(24,363)</u>	<u>(1,990)</u>
<b>Total tax charge</b>	<u>1,135,933</u>	<u>356,843</u>

During the year, as a result of the change in the UK main corporation tax rate from 18% to 17%, that was substantively enacted on 15 September 2016 and which will be effective from 1 April 2020, the relevant deferred tax balances have been remeasured on this basis.

The charge for the year can be reconciled to the profit per the statement of comprehensive income multiplied by the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	5,383,179	1,044,086
Expected tax charge based on a corporation tax rate of 20.00% (2015: 20.00%)	1,076,636	208,817
Tax effect of expenses that are not deductible in determining taxable profit	147,147	67,115
Adjustments in respect of prior years	(61,727)	(43,843)
Fixed asset timing differences	(34,195)	30,526
Income not taxable	(28,445)	(42,002)
Other short term timing differences	(1,009)	(1,243)
Foreign tax adjustment	5,045	6,138
Tax losses carried forward	-	77,121
Change in tax rate	4,390	7,880
Other tax adjustments	(1,909)	17,081
Tax losses utilised	-	29,253
Chargeable gains	30,000	-
<b>Tax expense for the year</b>	<u>1,135,933</u>	<u>356,843</u>

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 12 Taxation (continued)

Jamie Magazine Limited, an indirect subsidiary of the group, has unrelieved corporation tax losses carried forward of £1,949,833 (2015: £1,949,833) available to offset against future trading profits. There is an unrecognised deferred tax asset at a corporation tax rate of 17% (2015: 18%) of £331,472 (2015: £350,970) in respect of these carried forward losses as the timing of future profits is uncertain. Management will consider recognition of this asset in future periods based upon their projections of profits at that time.

Recipease Limited, an indirect subsidiary of the group, also has unrelieved corporation tax losses carried forward of £5,328,503 (2015: £5,486,614) available to offset against future trading profits. There is an unrecognised deferred tax asset at a corporation tax rate of 17% (2015: 18%) of £905,846 (2015: £987,591) in respect of these carried forward losses as the timing of future profits is uncertain. Management will consider recognition of this asset in future periods based upon their projections of profits at that time.

Recipease Limited also has accelerated capital allowances carried forward of £943,519 (2015: £971,964). There is an unrecognised deferred tax liability at a corporation tax rate of 17% (2015: 18%) of £160,398 (2015: £174,954) in respect of these capital allowances which is offset against the unrecognised deferred tax asset.

13 Dividends	2016 £	2015 £
Jamie Oliver Holdings Ordinary 'B' shares: Interim paid £40,000 (2015: £Nil) per share	4,000,000	-

#### 14 Intangible fixed assets

Group	Negative goodwill £	Goodwill £	Image rights £	Total £
<b>Cost</b>				
1 January 2016	(447,258)	1,811,221	350,000	1,713,963
Additions	-	-	-	-
31 December 2016	(447,258)	1,811,221	350,000	1,713,963
<b>Amortisation and impairment</b>				
1 January 2016	(447,258)	1,811,221	93,333	1,457,296
Charged in the year	-	-	35,000	35,000
31 December 2016	(447,258)	1,811,221	128,333	1,492,296
<b>Carrying amount</b>				
At 31 December 2016	-	-	221,667	221,667
At 31 December 2015	-	-	256,667	256,667

Any impairment and amortisation charge is included within administrative expenses.

There are no intangible fixed assets held by the company.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 15 Tangible fixed assets

Group	Leasehold improvements £	Plant and Machinery £	Total £
<b>Cost</b>			
1 January 2016	2,230,673	2,228,242	4,458,915
Additions	6,676	69,029	75,705
Disposals	(1,175,544)	(760,947)	(1,936,491)
31 December 2016	1,061,805	1,536,324	2,598,129
<b>Depreciation and impairment</b>			
1 January 2016	2,089,815	1,945,877	4,035,692
Depreciation charged in the year	68,621	165,892	234,513
Disposals	(1,175,544)	(718,660)	(1,894,204)
31 December 2016	982,892	1,393,109	2,376,001
<b>Carrying amount</b>			
31 December 2016	78,913	143,215	222,128
31 December 2015	140,858	282,365	423,223
<b>Company</b>			
<b>Leasehold improvements</b>			
1 January 2016	156,216	43,088	199,304
Additions	-	-	-
31 December 2016	156,216	43,088	199,304
<b>Depreciation</b>			
1 January 2016	73,547	31,566	105,113
Depreciation charged in the year	17,119	7,701	24,820
31 December 2016	90,666	39,267	129,933
<b>Carrying amount</b>			
31 December 2016	65,550	3,821	69,371
31 December 2015	82,669	11,522	94,191

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

16	Fixed asset investments	2016 £	2015 £
	<b>Group</b>		
	Investments in associated undertakings	101,645	94,296
		<u>          </u>	<u>          </u>
	<b>Movements in fixed asset investments</b>		<b>Associated undertakings £</b>
	<b>Cost</b>		
	At 1 January 2016		94,296
	Share of results of associates less dividends already remitted to group		7,349
	At 31 December 2016		<u>101,645</u>
	<b>Carrying amount</b>		
	At 31 December 2016		<u>101,645</u>
	At 31 December 2015		<u>94,296</u>
		<b>2016 £</b>	<b>2015 £</b>
	<b>Company</b>		
	Investments in subsidiaries	1,870,919	1,660,441
		<u>          </u>	<u>          </u>
	<b>Movements in fixed asset investments</b>		<b>Investments in subsidiaries £</b>
	<b>Cost</b>		
	At 1 January 2016		1,660,441
	Additions		210,478
	At 31 December 2016		<u>1,870,919</u>
	<b>Carrying amount</b>		
	At 31 December 2016		<u>1,870,919</u>
	At 31 December 2015		<u>1,660,441</u>

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 17 Subsidiary undertakings

Details of the company's subsidiaries at 31 December 2016 are as follows:

<i>Name of undertaking</i>	<i>Registered office</i>	<i>Class of shareholding</i>	<i>Proportion of nominal value held</i>	<i>Nature of business</i>
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Subsidiary undertakings owned by Jamie Oliver Holdings Limited:

Jamie Oliver Limited	19-21 Nile Street, London, N1 7LL	Ordinary	100%	Artistic & literary creation
Jamie Oliver Enterprises Limited	As above	Ordinary	100%	Brand licensing
Jools Enterprises Limited	As above	Ordinary 'A' shares	50%	Artistic and literary management
Jamie Oliver Productions Limited (previously Fresh One Productions Limited)	As above	Ordinary and Ordinary 'A' shares	97.53%	TV & multi media programming

Subsidiary undertakings owned by Jamie Oliver Limited:

Jamie Magazine Limited	As above	Ordinary and Ordinary 'A' shares	98.84%	Retailing and international licensing of magazine content
Food Tube Limited	As above	Ordinary	100%	Dormant
Recipease Limited	As above	Ordinary	100%	Brand licensing

Subsidiary undertakings owned by Jamie Oliver Enterprises Limited:

Jamie's Ministry of Food Limited	As above	Ordinary	100%	Dormant
The Flour Station (2) Limited	As above	Ordinary	100%	Dormant
Made with Magic Limited	As above	Ordinary	100%	Dormant
Wood Fired Ovens by Jamie Oliver Limited	As above	Ordinary	70%	Dormant

Subsidiary undertakings owned by Jamie Oliver Productions Limited (previously Fresh One Productions Limited):

FL Productions Limited (previously Fat Lemon Productions Limited)	As above	Ordinary	100%	Television commercial production
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Jools Enterprises Limited is a subsidiary undertaking by virtue of the fact that Jamie Oliver Holdings Limited owns 100% of the voting shares.

All of the above companies are incorporated in the United Kingdom and are included in the consolidation.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 17 Subsidiary undertakings (continued)

The following subsidiary companies have taken the exemption in Section 479A of the Companies Act 2006 ("the Act") from the requirements in the Act for their individual accounts to be audited.

Jamie Oliver Limited (registered number 03822122)  
Jamie Oliver Enterprises Limited (registered number 06294067)  
Jools Enterprises Limited (registered number 04677900)  
Jamie Magazine Limited (registered number 06739827)  
Recipease Limited (registered number 06447867)  
Jamie Oliver Productions Limited (previously Fresh One Productions Limited) (registered number 04075091)  
Wood Fired Ovens by Jamie Oliver Limited (registered number 05421549)  
FL Productions Limited (previously Fat Lemon Productions Limited) (registered number 08633546)

#### 18 Associates

Details of the group's associates at 31 December 2016 are as follows:

<i>Name of undertaking</i>	<i>Registered office</i>	<i>Class of shareholding</i>	<i>Proportion of nominal value held</i>	<i>Nature of business</i>
Participating interests owned by Jamie Oliver Enterprises Limited:				
Fresh Crush Limited	19-21 Nile Street, London, N1 7LL	Ordinary	50%	Design of cooking equipment
9256-5514 Quebec Inc	4720 rue Marquette Montreal H2J3Y6	Ordinary	50%	Restaurant
Cobble Lane Cured Limited	25A Cobble Lane, London, N1 1SF	Ordinary	28%	Manufacture, wholesale and retail of sausages and cured meats
Participating interests owned by Jamie Oliver Productions Limited (previously Fresh One Productions Limited):				
Fresh Pictures Limited	19-21 Nile Street, London, N1 7LL	Ordinary	50%	Television programme production
Guppy Productions Limited	As above	Ordinary	50%	International exploitation of television programme rights

All the above companies are incorporated in the United Kingdom apart from 9256-5514 Quebec Inc, which is incorporated in Canada. All of these companies are included in the consolidation.

50% of the share capital and voting rights of Fresh Crush Limited are held by Jamie Oliver Enterprises Limited, but Jamie Oliver Enterprises Limited is entitled to 75% of all profit and dividends under the terms of the shares owned.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

19	Stocks	Group	
		2016 £	2015 £
	Work in progress	38,928	15,264
	Finished goods and goods for resale	10,000	73,266
		<u>48,928</u>	<u>88,530</u>

There are no stocks held by the company.

20	Debtors	Group		Company	
		2016 £	2015 £	2016 £	2015 £
	Trade debtors	2,619,420	4,232,735	-	-
	Amounts recoverable on long term contracts	620,787	421,189	-	-
	Amounts due from associate undertakings	-	96,484	-	-
	Corporation tax recoverable	-	187,483	-	-
	Other debtors	6,901,513	4,579,226	5,237,138	1,347,178
	Prepayments and accrued income	2,839,112	3,103,923	-	16,667
		<u>12,980,832</u>	<u>12,621,040</u>	<u>5,237,138</u>	<u>1,363,845</u>
	Deferred tax asset (note 24)	43,655	19,292	-	-
		<u>13,024,487</u>	<u>12,640,332</u>	<u>5,237,138</u>	<u>1,363,845</u>

21	Creditors: Amounts falling due within one year	Group		Company	
		2016 £	2015 £	2016 £	2015 £
	Bank overdrafts (note 23)	-	3,177	-	-
	Payments received on account	-	98,261	-	-
	Trade creditors	722,134	1,657,772	146,218	63,065
	Group balances	-	-	10,199,880	1,710,019
	Amounts due to associate undertakings	85,092	73,781	-	-
	Corporation tax payable	543,369	-	-	-
	Other taxation and social security	1,533,499	1,078,820	-	-
	Directors current accounts	1,367,774	741,646	1,367,169	741,041
	Other creditors	2,403,696	2,639,379	332	394,538
	Accruals and deferred income	7,554,112	3,357,495	78,608	88,820
		<u>14,209,676</u>	<u>9,650,331</u>	<u>11,792,207</u>	<u>2,997,483</u>

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

22	Financial instruments	Group	
		2016 £	2015 £
	<b>Carrying amount of financial assets</b>		
	Debt instruments measured at amortised cost	12,765,199	12,149,421
	Equity instruments measured at cost less impairment	101,645	94,296
		<u>12,866,844</u>	<u>12,243,717</u>
	<b>Carrying amount of financial liabilities</b>		
	Measured at amortised cost	6,560,869	7,368,786

23	Borrowings	Group	
		2016 £	2015 £
	Bank overdrafts	-	3,177
	Payable within one year	-	3,177

The bank overdraft is secured by a debenture over the assets of the group.

24	Deferred taxation	Group		Company	
		2016 £	2015 £	2016 £	2015 £
	Liability/(asset) at 1 January	(19,292)	(17,302)	7,778	9,203
	Credit to profit or loss	(24,363)	(1,990)	(978)	(1,425)
	Liability/(asset) at 31 December	<u>(43,655)</u>	<u>(19,292)</u>	<u>6,800</u>	<u>7,778</u>

The deferred tax liabilities and assets recognised are:

Deferred tax liabilities:	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Accelerated capital allowances	-	-	6,800	7,778

The deferred tax liability of £6,800 is expected to reverse by £1,603 in the next 12 months.



**JAMIE OLIVER HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**24 Deferred tax (continued)**

Deferred tax assets:	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Decelerated capital allowances	38,166	19,129	-	-
Other timing differences	5,489	163	-	-
	<u>43,655</u>	<u>19,292</u>	<u>-</u>	<u>-</u>

The deferred tax asset of £43,655 is expected to increase by £11,850 in the next 12 months.

Unrecognised deferred tax assets are shown in note 12 to the financial statements.

**25 Retirement benefits schemes**

**Defined contribution schemes**

The group operates a defined contribution pension scheme for all qualifying employees in the United Kingdom. The assets of the scheme are held separately from those of the group in an independently administered fund. The contributions payable by the group charged to profit or loss amounted to £341,435 (2015: £457,408). Contributions totalling £2,292 (2015: £2,960) were payable to the fund at the year end and are included in creditors.

**26 Share capital**

	Ordinary 'A' shares of £1 each Number	Ordinary 'B' shares of £1 each Number	Total £
Allotted, issued and fully paid: 1 January 2016 and 31 December 2016	100	100	200

The 'B' Ordinary shares do not carry any voting rights. They rank pari passu with 'A' ordinary shares in all other respects.

**27 Reserves**

**Profit and loss reserve**

The profit and loss reserve represents cumulative profit and loss net of distributions to owners.

# JAMIE OLIVER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### **28 Increased holdings in subsidiaries**

On 15 July 2016, Jamie Oliver Limited, a subsidiary of the company, acquired a further 60 Ordinary A shares of 50 pence each in Jamie Magazine Limited for a total consideration of £40,200. The group controlled Jamie Magazine Limited before and after the acquisition and was already accounting for Jamie Magazine Limited as a subsidiary. As a result of this transaction the group increased its holding from 95.35% to 98.84%. The loss of £142,064 has been recognised in equity.

On 6 December 2016, Jamie Oliver Holdings Limited acquired 9 Ordinary A shares of £1 each in Jamie Oliver Productions Limited (previously Fresh One Productions Limited) for a total consideration of £13,570. As a result of this transaction the group increased its holding from 96.90% to 97.17%. The loss of £3,273 has been recognised in equity.

On 6 December 2016, Jamie Oliver Holdings Limited acquired 471 unpaid Ordinary A shares of £1 each with a total issue price of £106,908 and 60 unpaid deferred shares of £1 each with a total issue price of £90,000 in Jamie Oliver Productions Limited (previously Fresh One Productions Limited) for a total consideration of £Nil. Jamie Oliver Holdings Limited immediately paid up these shares for £196,908. As a result of this transaction the group increased its holding from 97.17% to 97.53%. The gain of £11,496 has been recognised in equity.

The group controlled Jamie Oliver Productions Limited (previously Fresh One Productions Limited) before and after each of the above transactions and was already accounting for Jamie Oliver Productions Limited (previously Fresh One Productions Limited) as a subsidiary.

#### **29 Financial commitments, guarantees and contingent liabilities**

A cross guarantee exists between Jamie Oliver Holdings Limited, Jamie Oliver Limited, Jamie Oliver Productions Limited (previously Fresh One Productions Limited), Jamie Oliver Enterprises Limited, FL Productions Limited (previously Fat Lemon Productions Limited), and Jamie Magazine Limited. The outstanding net balance in relation to this bank facility is £Nil (2015: £Nil). This facility is secured by a fixed and floating charge over the companies' assets.

The company and group are contingently liable in respect of a group VAT agreement with Jamie Oliver Holdings Limited, Jamie Oliver Limited, Jamie Oliver Enterprises Limited, Jamie Oliver Productions Limited (previously Fresh One Productions Limited), Jools Enterprises Limited, FL Productions Limited (previously Fat Lemon Productions Limited), Fresh One Productions Limited (previously Fresh One Productions RI Limited) and Guppy Productions Limited. At 31 December 2016 the company's contingent liability was £1,218,073 (2015: £246,776) and the group's contingent liability was £325 (2015: £120,449).

In accordance with Section 479C of the Companies Act 2006, Jamie Oliver Holdings Limited has provided a guarantee over the liabilities of certain members of the group. Further details are given in note 17 to the financial statements.

**JAMIE OLIVER HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**30 Operating lease commitments**

**Lessee:**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Within one year	186,574	591,870
Between one and five years	-	186,574
	<u>186,574</u>	<u>778,444</u>

**31 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel, who are also directors of various group companies, is as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	<u>2,438,205</u>	<u>2,766,916</u>

**Transactions with related parties**

	<b>Other related parties</b>		<b>Jointly controlled entities and associates</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sales in the year	2,738,196	1,916,187	189,996	95,153
Purchases in the year	709,681	557,964	58,102	-
Other services charged by the group	453,819	437,533	-	-
Loans advanced during the year	2,000,000	-	13,000	35,500
Dividends received by the group	-	-	97,500	90,000
Amounts owed by related parties at the year end	3,300,670	3,631,730	-	96,484
Amounts owed to related parties at the year end	49,809	-	85,092	73,781
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Amounts owed by related parties fully provided against	15,838,696	15,293,034	91,139	-
Amounts written off/(written back) during the year	545,662	(91,876)	91,139	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**JAMIE OLIVER HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**32 Controlling party**

The directors consider the ultimate controlling party to be J T Oliver.

**33 Cash generated from operations**

	2016 £	Group 2015 £
Profit for the year	4,247,246	687,243
Income tax expense	1,135,933	356,843
Finance cost	20,310	58,482
Investment income	(103,045)	(4,515)
Impairment of intangible fixed assets	-	(447,258)
Amortisation of intangible fixed assets	35,000	35,000
Depreciation of tangible assets	234,513	527,058
Impairment of tangible fixed assets	-	814,871
Loss on disposal of tangible assets	11,997	2,338
Share of profit of associates	(104,849)	(66,986)
Profit on sale of associate	-	(298,324)
Decrease in provisions	-	(73,552)
<b>Operating cash flows before movements in working capital</b>	<b>5,477,105</b>	<b>1,591,200</b>
Decrease in stock	39,602	278,002
Increase in trade and other debtors	(547,275)	(153,369)
Increase/(decrease) in trade and other creditors	4,019,153	(723,118)
	<b>3,511,480</b>	<b>(598,485)</b>
<b>Cash generated from operations</b>	<b>8,988,585</b>	<b>992,715</b>

*Major non-cash transactions*

During the year, shares in Jamie Oliver Productions Limited (previously Fresh One Productions Limited) were paid up for a total consideration of £Nil (2015: £1,146,912). The company loaned these funds to the previous shareholders and then immediately acquired the shares for the same amount, which in turn settled these loans. There was therefore no cash flow in respect of these transactions.

**34 Transactions with directors**

J T Oliver (director) and his wife received dividends of £2,400,000 (2015: £Nil) and £1,600,000 (2015: £Nil) respectively in the year. At the year end the amount due to J T Oliver and his wife was £1,367,774 (2015: £741,646). No interest is chargeable on this balance.

At the balance sheet date there were loans due from J T Oliver and his wife of £1,900,000 (2015: £Nil) and L Holland of £176,488 (2015: £Nil). Interest payable on all loans to J T Oliver and his wife was £67,751 (2015: £Nil) and £1,570 (2015: £Nil) from L Holland. The loan due from J T Oliver and his wife has subsequently been repaid in full.

**JAMIE OLIVER HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**35 Non-controlling interest**

	<b>2016</b>	<b>Group</b>	<b>2015</b>
	<b>£</b>		<b>£</b>
Non-controlling interest share of profit for the year	71,812		8,258
Release of provision against non-controlling interest due to increase in group shareholding	(81,181)		(26,983)
Charge to profit and loss account	(9,369)		(18,725)
Addition of non-controlling interest in subsidiary	101,864		689,220
Dividends paid to non-controlling interest in subsidiary	-		(403,500)
Disposal of non-controlling interest in subsidiary	(21,793)		(985,836)
Net addition to non-controlling interest	70,702		(718,841)
Opening non-controlling interest	233,962		952,803
Closing non-controlling interest	304,664		233,962