

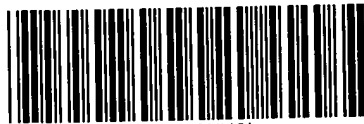
Registration number: 229607

# ITV Services Limited

Financial Statements

for the Year Ended 31 December 2014

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## **ITV Services Limited**

### **Strategic Report for the Year Ended 31 December 2014**

The directors of ITV Services ("the Company") present their strategic report for the year ended 31 December 2014.

#### **Principal activity**

The principal activity of ITV Services Limited ("the Company") continues to be to provide services for other companies within the ITV plc Group.

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

The results for the Company show a loss before tax of £56,658,000 (2013: profit of £525,720,000) for the year and turnover of £120,127,000 (2013: £123,199,000). At 31 December 2014 the Company had net assets of £1,834,052,000 (2013: £1,826,150,000).

#### **Developments during the year**

On 6 May 2014 1 Ordinary share having an aggregate nominal value of £0.05 was allotted for an aggregate consideration of \$95,000,000 (£56,259,623). The reason for the issue was to raise capital to acquire an increase in share capital of Granada Limited.

On 18 December 2014 1 Ordinary share having an aggregate nominal value of £0.05 was allotted for an aggregate consideration of SEK 10,500,000 (£900,939). The reason for the issue was to raise capital to acquire an increase in share capital of Granada Limited.

#### **Principal risks and uncertainties**

The principal risk to the Company relates to non-payment for services rendered to other companies within ITV plc Group. The risks driving non-payment are synonymous with those faced by the Group and therefore are not managed separately. Accordingly, the principal risks and uncertainties of the ITV plc Group are discussed on pages 48 to 49 of the Group's annual report.

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

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

Approved by the Board on ~~29/01/2015~~ 29/01/2015..... and signed on its behalf by:

.....  
Andrew Garard  
Director

## **ITV Services Limited**

### **Directors' Report for the Year Ended 31 December 2014**

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

#### **Directors of the company**

The directors who held office during the year and up to the date of this report were as follows:

Adam Crozier  
Andrew Garard  
Ian Griffiths  
Mary Fagan  
Peter Fincham  
Anne Hazlitt (resigned 31 December 2014)  
Kevin Lygo  
Simon Pitts  
David Osborn (appointed 18 December 2014)

Certain directors benefit from third party qualifying indemnity provisions in place during the financial year and at the date of this report.

#### **Dividends**

The directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 31 December 2014 (2013: £Nil). During the year no interim dividend was paid (2013: £540,000,000).

#### **Going concern**

In preparing the financial statements of ITV Services Limited, the directors have made an assessment of the next 12 months performance from signing, and consider preparation on a going concern basis to be appropriate (see note 1).

#### **Important post balance sheet events**

On 29 June 2015 an interim dividend of £200 million was received from Granada Limited, a fellow group subsidiary undertaking.

On 29 June 2015 an interim dividend of £200 million was paid to ITV Holdings Limited, a fellow group subsidiary undertaking.

#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

**ITV Services Limited**  
**Directors' Report for the Year Ended 31 December 2014**

**Reappointment of auditor**

KPMG Audit Plc resigned as auditor during the year pursuant to section 516 of the Companies Act 2006. The Directors have appointed KPMG LLP as auditor of the Company to fill the casual vacancy as auditor under section 485 of the Companies Act 2006.

Approved by the Board on 29/01/2015 and signed on its behalf by:

.....  
Andrew Garard  
Director

**Registered office**      ITV Services Limited  
The London Television Centre  
Upper Ground  
London  
United Kingdom  
SE1 9LT

## **ITV Services Limited**

### **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 elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are generally responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **ITV Services Limited**

### **Independent Auditor's Report to the members' of ITV Services Limited**

We have audited the financial statements of ITV Services Limited for the year ended 31 December 2014, set out on pages 6 to 43. 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).

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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (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 Ethical Standards for Auditors.

#### **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 the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss for the 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.

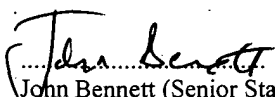
#### **Opinion on other matter prescribed by the Companies Act 2006**

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.

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

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, 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; 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.



John Bennett (Senior Statutory Auditor)  
For and on behalf of KPMG Audit LLP, Statutory Auditor

Chartered Accountants  
15 Canada Square  
London  
E14 5GL

Date: 29/09/2015

**ITV Services Limited**  
**Profit and Loss Account for the Year Ended 31 December 2014**

	Note	2014 £ 000	2013 £ 000
Turnover	1	120,127	123,199
Cost of sales		<u>(157)</u>	<u>(414)</u>
Gross profit		<u>119,970</u>	<u>122,785</u>
Exceptional pension costs	3	(62,891)	-
Administrative expenses		(135,058)	(143,454)
Other operating income		<u>6,202</u>	<u>5,006</u>
Operating loss	2	(8,886)	(15,663)
Income from shares in group undertakings	6	57	540,000
Other interest receivable and similar income	7	69,030	70,784
Loss on disposal of fixed assets		(377)	(102)
Interest payable and similar charges	8	<u>(53,591)</u>	<u>(69,299)</u>
(Loss)/profit on ordinary activities before taxation		(56,658)	525,720
Tax on (loss)/profit on ordinary activities	9	<u>9,842</u>	<u>(650)</u>
(Loss)/profit for the financial year	18	<u><u>(46,816)</u></u>	<u><u>525,070</u></u>

The results above derive wholly from continuing operations.

A note on historical cost profits and losses has not been included as part of these financial statements since the results as disclosed in the profit and loss account are prepared on an unmodified historical cost basis.



**ITV Services Limited**  
**Statement of Total Recognised Gains and Losses**

		<b>2014</b>	<b>2013</b>
	<b>Note</b>	<b>£ 000</b>	<b>£ 000</b>
(Loss)/profit for the financial year		(46,816)	525,070
Actuarial loss on pension schemes	15	<u>(2,443)</u>	<u>(3,301)</u>
Total recognised gains and losses relating to the year		<u><u>(49,259)</u></u>	<u><u>521,769</u></u>

**ITV Services Limited**  
**(Registration number: 229607)**  
**Balance Sheet as at 31 December 2014**

		2014	Restated 2013
	Note	£ 000	£ 000
<b>Fixed assets</b>			
Tangible assets	10	89,342	100,366
Investments	24	<u>1,855,612</u>	<u>1,785,894</u>
		<u>1,944,954</u>	<u>1,886,260</u>
<b>Current assets</b>			
Debtors	11	1,039,167	997,396
Creditors: Amounts falling due within one year	12	<u>(1,118,087)</u>	<u>(1,026,925)</u>
Net current liabilities		<u>(78,920)</u>	<u>(29,529)</u>
Total assets less current liabilities		1,866,034	1,856,731
Provisions for liabilities	13	<u>(31,982)</u>	<u>(30,581)</u>
Net assets		<u><u>1,834,052</u></u>	<u><u>1,826,150</u></u>
<b>Capital and reserves</b>			
Called up share capital	14	3	3
Share premium reserve	18	57,161	-
Capital redemption reserve	18	149,421	149,421
Profit and loss account	18	<u>1,627,467</u>	<u>1,676,726</u>
Shareholders' funds	19	<u><u>1,834,052</u></u>	<u><u>1,826,150</u></u>

Approved by the Board on ~~29/09/2015~~ and signed on its behalf by:

.....  
 Andrew Garard  
 Director

The notes on pages 9 to 43 form an integral part of these financial statements.

# ITV Services Limited

## Notes

### 1 Accounting policies

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### **Exemption from preparing a cash flow statement**

The Company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

#### **Exemption from preparing group accounts**

The company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 and has not prepared group accounts.

#### **Going Concern**

The Company participates in the Group's intra-group cash pool policy and so shares banking arrangements with its parent and fellow subsidiaries. As such, the Company is dependent for its working capital on funds provided to it by ITV plc, the Company's ultimate parent company. ITV plc has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company and in particular will not seek repayment of the amounts currently made available. As at the date of approval of these financial statements, the directors of the Company have no reason to believe that this financial support will not be forthcoming in the event that it is required.

On this basis, and on their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue in existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **Amounts owed (to) / from subsidiary undertakings**

The Group operates an intra-group cash pool policy with certain 100% owned UK subsidiaries. The pool applies to bank accounts where there is an unconditional right of set off and involves the daily closing cash position for participating subsidiaries whether positive or negative, being cleared to £nil via daily bank transfers to/from ITV plc. These daily transactions create a corresponding intercompany creditor or debtor which can result in significant movements in amounts owed to and from subsidiary undertakings in the Company balance sheet.

#### **Turnover**

Turnover, which arose wholly in the United Kingdom, represents the invoiced amounts of services provided during the period and is stated net of Value Added Tax. This includes overheads incurred by ITV Services Limited on behalf of other Group companies being recharged to those companies. Also included within turnover is rental income for properties held by ITV Services Limited and let to the rest of the ITV plc Group.

## **ITV Services Limited**

### **Notes**

#### **Depreciation**

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Vehicles, equipment, fixtures and fittings	3-20 years
Short leasehold	10 years
Long Leasehold	10 - 60 years

#### **Fixed asset investments**

The Company's balance sheet include investments at cost less amounts written off in respect of any permanent diminution in value.

#### **Stock**

Consumable stocks are valued at the lower of cost and net realisable value.

#### **Taxation**

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Deferred tax assets are recognised to the extent that it is more likely than not that the asset will be recovered.

#### **Foreign currency**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### **Operating leases**

The rental paid under operating leases is charged to the profit and loss account on a straight line basis over the term of the lease.

#### **Classification of financial instruments issued by the Company**

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

## ITV Services Limited Notes

### Pensions

The Company is a member of the Group's defined benefit and defined contribution pension schemes. The schemes' assets are held in separate trustee administered funds. Contributions are based on pension costs across the Group as a whole.

With the exception of the unfunded pension scheme the Company is unable to identify its share of the defined benefit scheme assets and liabilities on a consistent and reasonable basis. Therefore, as permitted by FRS 17 'Retirement benefits' these schemes are accounted for as if they were defined contribution schemes. The unfunded pension scheme is accounted for as a defined benefit pension scheme in accordance with FRS 17.

### Share-based payments

During the year the Company received a share based payment charge from its ultimate parent company, ITV plc.

The Company has dealt with this in accordance with FRS 20 'Share-based payment' and UITF 44 'Group and Treasury Share Transactions'.

The fair value of the employee services received in exchange for the grant of options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimate of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the profit and loss account.

### Other operating income

Other operating income relates to cost recoveries and is recognised at the point at which costs have been recovered.

## 2 Operating loss

Operating loss is stated after charging:

	<b>2014</b>	<b>2013</b>
	<b>£ 000</b>	<b>£ 000</b>
Operating leases - Land and buildings	6,727	1,949
Foreign currency losses/(gains)	1,502	(2,136)
Loss on sale of tangible fixed assets	377	102
Depreciation of owned assets	21,263	19,164
Depreciation of assets held under finance lease and hire purchase contracts	796	1,286

During both the current year and the prior year the remuneration of the auditor was borne by ITV Services Limited on behalf of the Group. Accordingly fees payable to the auditor are disclosed in the Group's annual report.

Amounts paid to the Company's auditor in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, ITV plc.

# **ITV Services Limited** **Notes**

## **3 Exceptional pension costs**

	<b>2014</b>	<b>2013</b>
	<b>£ 000</b>	<b>£ 000</b>
Exceptional pension costs	<u>62,891</u>	<u>-</u>

Exceptional pension costs relate to an increase in the pension deficit funding for the year.

## **4 Particulars of employees**

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	<b>2014</b>	<b>2013</b>
	<b>No.</b>	<b>No.</b>
Directors and executives	56	84
Finance and technology	476	456
Human resources	46	73
Other departments	<u>242</u>	<u>207</u>
	<u>820</u>	<u>820</u>

The aggregate payroll costs were as follows:

	<b>2014</b>	<b>2013</b>
	<b>£ 000</b>	<b>£ 000</b>
Wages and salaries	39,907	40,866
Social security costs	4,707	4,643
Other pension schemes	<u>5,090</u>	<u>17,444</u>
	<u>49,704</u>	<u>62,953</u>

Other pension costs for the year ended 31 December 2014 includes the Company's contribution for deficit funding of £62.9m (2013: £13.3m) to the ITV Pension Scheme (see note 20).

All staff were employed in the UK in the years ended 31 December 2014 and 2013.

# ITV Services Limited

## Notes

### 5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2014	2013
	£ 000	£ 000
Remuneration	<u>5,018</u>	<u>4,337</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2014	2013
	No.	No.
Accruing benefits under defined benefit pension scheme	1	1
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>3</u>
	<u>3</u>	<u>4</u>

In respect of the highest paid director:

	2014	2013
	£ 000	£ 000
Remuneration	<u>2,166</u>	<u>1,782</u>

During the year the highest paid director received or was entitled to receive shares under a long term incentive scheme.

### 6 Income from shares in group undertakings

	2014	2013
	£'000	£'000
Dividends from group undertakings	<u>57</u>	<u>540,000</u>

### 7 Interest receivable and similar income

	2014	2013
	£ 000	£ 000
Bank interest receivable	2	2
Other interest receivable	17	42
Interest receivable from group undertakings	<u>69,011</u>	<u>70,740</u>
	<u>69,030</u>	<u>70,784</u>

### 8 Interest payable and similar charges

	2014	2013
	£ 000	£ 000
Interest on bank borrowings	-	1,386
Interest on loans from group undertakings	51,767	67,456
Other interest payable	<u>1,824</u>	<u>457</u>
	<u>53,591</u>	<u>69,299</u>

## ITV Services Limited Notes

### 9 Taxation

#### Tax on (loss)/profit on ordinary activities

	2014 £ 000	2013 £ 000
<b>Current tax</b>		
Adjustments in respect of previous years	-	294
Total current tax	-	294
<b>Deferred tax</b>		
Origination and reversal of timing differences	(9,738)	(1,182)
Deferred tax adjustment relating to previous years	(104)	19
Effect of changes in tax rates	-	1,519
Total deferred tax	(9,842)	356
Total tax on (loss)/profit on ordinary activities	(9,842)	650

#### Factors affecting current tax charge for the year

The tax on (loss)/profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK (2013 - lower than the standard rate of corporation tax in the UK) of 21.5% (2013 - 23.25%).

The differences are reconciled below:

	2014 £ 000	2013 £ 000
(Loss)/profit on ordinary activities before tax	(56,658)	525,720
Corporation tax at standard rate	(12,181)	122,230
Capital allowances in excess of depreciation	2,078	2,104
Other timing differences	5,847	(4,420)
Non-taxable income	-	(125,550)
Expenses not deductible for tax purposes	3,670	4,600
Adjustment for prior periods	-	294
Permanent differences and group relief	586	1,036
Total current tax	-	294

#### Factors that may affect future tax charges

The corporation tax rate of 21.5% reflects the reduction in the rate from 23% to 21% effective from 1 April 2014.

The Finance Act 2013, which provides for a reduction in the main rate of corporation tax from 21% to 20% effective from 1 April 2015, was substantively enacted on 17 July 2013. This rate reduction has been reflected in the calculation of deferred tax at the balance sheet date.



**ITV Services Limited**  
**Notes**

**10 Tangible fixed assets**

	Long leasehold land and buildings £ 000	Short leasehold land and buildings £ 000	Plant and machinery £ 000	Total £ 000
<b>Cost</b>				
At 1 January 2014	51,207	284	131,954	183,445
Additions	727	-	10,686	11,413
Disposals	(130)	(30)	(7,119)	(7,279)
At 31 December 2014	<u>51,804</u>	<u>254</u>	<u>135,521</u>	<u>187,579</u>
<b>Depreciation</b>				
At 1 January 2014	6,882	45	76,152	83,079
Charge for the year	1,254	18	20,787	22,059
Eliminated on disposals	(118)	(27)	(6,756)	(6,901)
At 31 December 2014	<u>8,018</u>	<u>36</u>	<u>90,183</u>	<u>98,237</u>
<b>Net book value</b>				
At 31 December 2014	<u>43,786</u>	<u>218</u>	<u>45,338</u>	<u>89,342</u>
At 31 December 2013	<u>44,325</u>	<u>239</u>	<u>55,802</u>	<u>100,366</u>

# **ITV Services Limited** **Notes**

## **11 Debtors**

	<b>2014</b>	<b>Restated</b>
	<b>£ 000</b>	<b>2013</b>
		<b>£ 000</b>
Trade debtors	-	74
Amounts owed by group undertakings	973,627	941,148
Other debtors	41,931	42,928
Deferred tax	13,247	3,925
Prepayments and accrued income	10,362	9,321
	<u>1,039,167</u>	<u>997,396</u>

### **Deferred tax**

The movement in the deferred tax asset in the year is as follows:

	<b>Deferred Tax</b>
	<b>£'000</b>
At 1 January 2014	11,306
Credited to the profit and loss account	<u>9,842</u>
At 31 December 2014	<u>21,148</u>

	<b>2014</b>	<b>Restated</b>
	<b>£</b>	<b>2013</b>
		<b>£</b>
Difference between accumulated depreciation and capital allowances	5,963	3,925
Other timing differences	7,284	-
	<u>13,247</u>	<u>3,925</u>
Unfunded pension scheme (see note 15)	7,901	7,381
	<u>21,148</u>	<u>11,306</u>

The 2013 disclosure has been restated to disclose the unfunded pension liability net of deferred tax asset. This has no impact on the result for that year.

# **ITV Services Limited** **Notes**

## **12 Creditors: Amounts falling due within one year**

	<b>2014</b>	<b>Restated</b>
	<b>£ 000</b>	<b>2013</b>
		<b>£ 000</b>
Bank loans and overdrafts	188	204
Trade creditors	12,232	12,790
Amounts owed to group undertakings	934,451	851,510
Other taxes and social security	68,179	64,401
Other creditors	21,219	17,036
Accruals and deferred income	81,818	80,984
	<u>1,118,087</u>	<u>1,026,925</u>

Included in amounts owed to group undertakings of £934,451,000 as at 31 December 2014 (2013: £851,510,000) are:

Amounts of £828,432,117 (2013: £790,527,649) in relation to mass balance accounts which attract interest on the principal at 5.5% per annum which are repayable on demand.

The remaining balances do not attract interest and are repayable on demand.

## **13 Provisions**

	<b>Pension</b>		<b>Restructuring</b>	<b>Other provision</b>	<b>Total</b>
	<b>contributions</b>		<b>£ 000</b>	<b>£ 000</b>	<b>£ 000</b>
	<b>£ 000</b>				
At 1 January 2014	29,523		519	539	30,581
Charged/(credited) to the profit and loss account	<u>2,081</u>		<u>(320)</u>	<u>(360)</u>	<u>1,401</u>
At 31 December 2014	<u>31,604</u>		<u>199</u>	<u>179</u>	<u>31,982</u>

Other provisions relate to property provisions for sub leases on onerous contracts.

Restructuring provisions are in respect of previously announced efficiency programmes.

# **ITV Services Limited** **Notes**

## **14 Called up share capital**

**Allotted, called up and fully paid shares**

	No 000	2014 £	No. 000	2013 £
Ordinary shares of £0.05 each	12,520	626	12,520	626
4.2% cumulative preference shares of £1 each	2,130	2,130	2,130	2,130
	<u>14,650</u>	<u>2,756</u>	<u>14,650</u>	<u>2,756</u>

On 6 May 2014 1 Ordinary share having an aggregate nominal value of £0.05 was allotted for an aggregate consideration of \$95,000,000 (£56,259,623). The reason for the issue was to raise capital to acquire an increase in share capital of Granada Limited.

On 18 December 2014 1 Ordinary share having an aggregate nominal value of £0.05 was allotted for an aggregate consideration of SEK 10,500,000 (£900,939). The reason for the issue was to raise capital to acquire an increase in share capital of Granada Limited.

The holders of the redeemable preference shares have waived their right to preference share dividends and the right to exercise their option to redeem these shares. As such these shares have been classified as equity in accordance with FRS 25.

## **15 Pension schemes**

### **Defined contribution scheme**

Total contributions recognised in the profit and loss account in relation to defined contribution schemes during 2014 were £2,551,707 (2013: £2,071,919).

## ITV Services Limited Notes

### Defined benefit scheme

The Company is a participating member of the ITV defined benefit pension scheme. The scheme's assets are held in separate trustee administered funds. Contributions are based on pension costs across the group as a whole.

The Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Therefore, as permitted by FRS 17 'Retirement benefits' the Company has accounted for contributions to the scheme as if it were a defined contribution scheme.

The Group's main scheme consists of three sections, A, B and C. Full actuarial valuations are carried out every three years. The latest actuarial valuations of the three sections were carried out as at 1 January 2011 with a funding deficit standing at £587 million. The next triennial valuation will be as at 1 January 2014, and is expected to be agreed in 2015.

As a result of the latest valuation a 15 year funding plan has been agreed for the main section (Section A) to repay its pension deficit. As in previous years it is a mixture of fixed and performance related contributions. The current contribution plan remains in place until the end of 2014 and then there is a gradual increase in the fixed contribution from £48 million to £50 million for the period from 2015 to 2019. From 2020 to 2025 the fixed contribution remains at £50 million. Any performance related contributions are payable in addition to these amounts. If the performance related elements of the main section pay out, the funding period reduces to ten years.

For Sections B and C, the Group will continue to make contributions of £5.5 million per annum in order to eliminate the deficits of these sections by 31 March 2021. The latest actuarial valuations have been updated for FRS 17 purposes to 31 December 2014 by a qualified independent actuary.

The Company's normal contribution for the year were £1,270,285 (2013: £1,458,466). In addition to normal funding the Group made further contributions of £91 million in 2014 (2013: £80 million) as disclosed in the ITV plc financial statements. The levels of contributions are based on the current service costs and the expected future cash flows of the defined benefit scheme.

At 31 December 2014 the scheme had an FRS 17 deficit of £346 million (2013: £445 million).

Particulars of the actuarial valuations of the group schemes are contained in the financial statements of ITV plc which can be obtained from the address given in note 23.

### Unfunded pension scheme

The Company participates in the Group unfunded pension scheme. This scheme is accounted for as a defined benefit pension scheme in accordance with FRS17. The principal assumptions used in the scheme valuation at the balance sheet date were:

	2014 %	2013 %
<i>Major assumptions:</i>		
Discount rate for scheme liabilities	3.70	4.60
Rate of increase to deferred pensions (CPI)	2.00	2.35
Rate of pensionable salary increases	0.90	0.90
Rate of increase in pension payment (LPI 5% pension increases)	2.90	3.25
Inflation	3.05	3.40

	2014 £ 000	2013 £ 000	2012 £ 000	2011 £ 000
Present value of scheme liabilities	(39,505)	(36,904)	(33,633)	(32,635)
Related deferred tax asset - full provision basis	7,901	7,381	7,736	8,159
Net pension deficit	<u>(31,604)</u>	<u>(29,523)</u>	<u>(25,897)</u>	<u>(24,476)</u>

# **ITV Services Limited** **Notes**

The scheme is unfunded so there are no assets to be valued. The amounts recognised during the year are as follows:

	<b>2014</b> <b>£ 000</b>	<b>2013</b> <b>£ 000</b>			
<b>Analysis of amount charged to operating costs:</b>					
Recognised in arriving at operating profit	<u>-</u>	<u>-</u>			
<b>Analysis of amount that would be charged to interest payable and similar charges:</b>					
Interest on pension scheme liabilities	<u>(1,611)</u>	<u>(1,385)</u>			
Charge before taxation	<u>(1,611)</u>	<u>(1,385)</u>			
	<b>2014</b> <b>£ 000</b>	<b>2013</b> <b>£ 000</b>			
Actuarial loss recognised in the statement of total recognised gains and losses	<u>(2,443)</u>	<u>(3,301)</u>			
	<b>2014</b> <b>£ 000</b>	<b>2013</b> <b>£ 000</b>			
Liability in scheme at beginning of period	(36,904)	(33,633)			
<b>Movement in period:</b>					
Amounts paid to pensioners	1,453	1,415			
Interest payable and similar charges	(1,611)	(1,385)			
Actuarial loss	<u>(2,443)</u>	<u>(3,301)</u>			
	(39,505)	(36,904)			
Related deferred tax asset - full provision basis	<u>7,901</u>	<u>7,381</u>			
Net pension deficit	<u>(31,604)</u>	<u>(29,523)</u>			
	<b>2014</b> <b>£ 000</b>	<b>2013</b> <b>£ 000</b>	<b>2012</b> <b>£ 000</b>	<b>2011</b> <b>£ 000</b>	<b>2010</b> <b>£ 000</b>
Total amount recognised in the statement of total recognised gains and losses	<u>(2,443)</u>	<u>(3,301)</u>	<u>(866)</u>	<u>(1,714)</u>	<u>(1,706)</u>
	<b>2014</b> <b>%</b>	<b>2013</b> <b>%</b>	<b>2012</b> <b>%</b>	<b>2011</b> <b>%</b>	<b>2010</b> <b>%</b>
Percentage of the present value of scheme liabilities	(6)	(9)	(3)	(5)	(6)

# ITV Services Limited

## Notes

### 16 Obligations under leases and hire purchase contracts

#### Operating lease commitments

As at 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

#### Operating leases which expire:

	2014 £ 000	2013 £ 000
<b>Land and buildings</b>		
Within one year	512	152
Within two to five years	24	405
Over five years	5,839	2,997
	<u>6,375</u>	<u>3,554</u>

### 17 Share-based payments

The movements in the number of share options during the year were as follows:

	2014 Number (‘000)	2013 Number (‘000)
Outstanding at 1 January	10,040	7,676
Granted during the year - nil priced	2,498	2,620
Granted during the year - other	1,744	2,753
Forfeited during the year	(205)	(550)
Exercised during the year	(4,133)	(2,400)
Expired during the year	(162)	(59)
Outstanding at 31 December	9,782	10,040
	<u>213</u>	<u>125</u>
Exercisable at 31 December		

The movements in the weighted average exercise price of share options during the year were as follows:

	2014 £	2013 £
Outstanding at 1 January	0.15	0.11
Granted during the year	1.63	1.27
Forfeited during the year	0.29	0.08
Exercised during the year	0.09	0.06
Expired during the year	0.13	0.52
Outstanding at 31 December	0.33	0.15
Exercisable at 31 December	0.14	0.00

For those options exercised in the year, the average share price during 2014 was £198.01 (2013 - £150.44).

## ITV Services Limited Notes

			2014			2013
Range of exercise prices (pence)	Weighted average exercise price (pence)	Number of options (‘000)	Weighted average remaining contractual life (years)	Weighted average exercise price (pence)	Number of options (‘000)	Weighted average remaining contractual life (years)
Nil	-	6,878,843	1.75	-	6,592,573	1.88
20.0 - 49.99	35.61	210,882	0.53	31.09	439,045	1.29
50.00 - 69.99	67.37	964,958	1.11	67.38	800,960	2.11
70.00 - 99.99	73.58	57,158	1.90	73.69	243,136	1.31
100.00 - 109.99	102.59	326,349	2.16	102.59	281,745	3.16
110.00 - 119.99	-	-	-	-	-	-
120.00 - 149.99	131.44	235,516	2.52	131.44	1,682,173	3.20
150.00 - 199.99	163.72	1,107,692	2.80	-	-	-

### Share schemes

A transaction will be classed as a share-based transaction where the ITV plc group (the Group) receives services from employees and pays for these in shares or similar equity instruments. If the Group incurs a liability whose amount is based on the price or value of the Group's shares then this will also fall under a share-based transaction.

The Group operates a number of share-based compensation schemes. A description of each material type of share-based payment arrangement that existed at any time during the period, including the general terms and conditions of each arrangement, such as vesting requirements, the maximum term of options granted, and the method of settlement (e.g. whether in cash or equity) are set out below.

Exercises of share options granted to employees can be satisfied by market purchase or issue of new shares. No new shares may be issued to satisfy exercises under the terms of the Deferred Share Award Plan. During the year, exercises were satisfied by the ITV Employees' Benefits Trust using a combination of the purchase of shares from the market and subscription for newly issued shares.

### Short term and deferred incentives

Annual incentives are provided for the Senior Executive Group through the ITV Annual Bonus Scheme (Bonus). The performance conditions that apply are set on an individual basis and are closely linked to the Company's corporate, financial and strategic priorities. A bonus arrangement extends to all ITV employees, providing a comprehensive and fully integrated incentive framework which rewards all employees when ITV is successful.

### Long term incentive plans

#### LTIP awards made in 2014

The LTIP was approved by ITV plc shareholders at the AGM in May 2014. On 30 May 2014 awards were made under the LTIP to the Senior Executive Group in the form of nil-cost options, subject to performance over the period to 31 December 2016. 50% of any shares that vest can be exercised from the vesting date, the remaining 50% will be subject to a one-year holding period.

The Group's Remuneration Committee sets targets for the LTIP taking into account external forecasts, internal budgets, business priorities, and risks and uncertainties. Targets are set to be appropriately stretching in this context, with maximum performance set at a level which is considered to be the delivery of exceptional performance.

The awards made in 2014 are subject to performance measures and targets as set out below. Awards will be subject to an initial cumulative adjusted EPS performance gateway equal to that required for threshold performance (37.1p) before any portion of the award can vest.



## ITV Services Limited Notes

Performance measure	Strategic Report	Weightings	Threshold	Maximum
Cumulative adjusted EPS	1	50%	37.1p	42.3p
Family SOV	2	20%	23.05%	23.51%
Total non-NAR growth	3.40	10%	5% growth pa	10% growth pa
International Production revenue	4	10%	5% growth pa	15% growth pa
Online, Pay & Interactive revenue	3	10%	5% growth pa	18% growth pa

Threshold vesting for all targets is 20%. Vesting between threshold and maximum is on a straight-line basis.

When assessing performance against the Family SOV target, the Group's Remuneration Committee will also have regard to the health of the main ITV channel.

Assumptions relating to grants of share options during 2014 and 2013:

Scheme name	Date of grant	Share price at grant (pence)	Exercise price (pence)	Expected volatility	Expected life (years)	Gross dividend yield %	Risk free rate %	Fair value (pence)
<b>LTIP</b>								
ITV - three year	01-May-14	183.50	-	*	3.00	*	*	183.50

### Save as you Earn

ITV - three year	05-Apr-13	121.00	102.59	36.00%	3.25	2.89%	0.31%	31.40
ITV - five year	05-Apr-13	121.00	102.59	49.00%	5.25	2.89%	0.72%	46.08
ITV - three year	10-Sept-13	183.40	131.44	34.00%	3.25	1.91%	1.04%	62.85
ITV - five year	10-Sept-13	183.40	131.44	47.00%	5.25	1.91%	1.80%	84.32
ITV - three year	03-Apr-14	195.50	159.68	32.00%	3.25	2.15%	1.27%	53.78
ITV - five year	03-Apr-14	195.50	159.68	38.00%	5.25	2.15%	1.94%	70.41
ITV - three year	10-Sept-14	212.40	165.33	29.00%	3.25	1.98%	1.30%	61.14
ITV - five year	10-Sept-14	212.40	165.33	34.00%	5.25	1.98%	1.81%	74.29

### Performance Share Plan

ITV - three year	01-Mar-13	123.40	-	*	3.00	*	*	123.40
ITV - three year	28-Mar-13	129.40	-	*	3.00	*	*	129.40

\* Awards do not include market based performance conditions; therefore, Monte-Carlo or Black-Scholes model not required to calculate fair value.

The expected volatility for awards made under the SAYE scheme reflects the historic volatility of ITV plc's share price and equity markets as a whole over the preceding three or five years, and depending on the expected life of the award, prior to the grant date of the share options awarded.

The Black-Scholes model is used to value the Save As You Earn Schemes as there do not have any market performance conditions. The ITV SAYE scheme is an Inland Revenue Approved SAYE scheme.

Share-based compensation charges totalled £3,958,563 in 2014 (2013: £2,849,329).

## ITV Services Limited Notes

### 18 Reserves

	Share premium account £ 000	Capital redemption reserve £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2014	-	149,421	1,676,726	1,826,147
Loss for the year	-	-	(46,816)	(46,816)
Premium on issue of shares	57,161	-	-	57,161
Actuarial loss on pension schemes	-	-	(2,443)	(2,443)
At 31 December 2014	<u>57,161</u>	<u>149,421</u>	<u>1,627,467</u>	<u>1,834,049</u>

### 19 Reconciliation of movement in shareholders' funds

	2014 £ 000	2013 £ 000
(Loss)/profit attributable to the members of the company	(46,816)	525,070
Other recognised gains and losses relating to the year	(2,443)	(3,301)
Dividends	-	(540,000)
New share capital subscribed	<u>57,161</u>	<u>-</u>
Net addition/(reduction) to shareholders funds	7,902	(18,231)
Shareholders' funds at 1 January	<u>1,826,150</u>	<u>1,844,381</u>
Shareholders' funds at 31 December	<u>1,834,052</u>	<u>1,826,150</u>

### 20 Contingent liabilities

Under a group registration, the Company is jointly and severally liable for VAT at 31 December 2014. The amount guaranteed is £58,000,000 (2013 - £51,000,000).

In the opinion of the directors, adequate allowance has been made in respect of this matter.

### 21 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

### 22 Post balance sheet events

On 29 June 2015 an interim dividend of £200 million was received from Granada Limited, a fellow group subsidiary undertaking.

On 29 June 2015 an interim dividend of £200 million was paid to ITV Holdings Limited, a fellow group subsidiary undertaking.

## ITV Services Limited Notes

### 23 Control

ITV Holdings Limited The Company is controlled by ITV Holdings Limited. The ultimate controlling party is ITV plc. At 31 December 2014 the Company's immediate parent company was ITV Holdings Limited, a company registered in England and Wales and the Company's ultimate parent company was ITV plc, a company registered in England and Wales.

The largest and smallest group in which the results of the Company were consolidated was that headed by ITV plc. The consolidated accounts of ITV plc are available to the public and may be obtained from [www.itvplc.com](http://www.itvplc.com) or the Company Secretary, The London Television Centre, Upper Ground, SE1 9LT.

### 24 Investments

	2014 £ 000	2013 £ 000
Shares in subsidiary undertakings	1,843,055	1,785,894
Loans to group undertakings and participating interests	8,850	-
Other investments	3,707	-
	<u>1,855,612</u>	<u>1,785,894</u>

#### Shares in group undertakings and participating interests

	Subsidiary undertakings £ 000	Total £ 000
<b>Cost</b>		
At 1 January 2014	1,785,894	1,785,894
Additions	<u>57,161</u>	<u>57,161</u>
At 31 December 2014	<u>1,843,055</u>	<u>1,843,055</u>
<b>Net book value</b>		
At 31 December 2014	<u>1,843,055</u>	<u>1,843,055</u>
At 31 December 2013	<u>1,785,894</u>	<u>1,785,894</u>

On 6 May 2014 1 Ordinary share having an aggregate nominal value of £0.05 was allotted for an aggregate consideration of \$95,000,000 (£56,259,623). The reason for the issue was to raise capital to acquire an increase in share capital of Granada Limited.

On 18 December 2014 1 Ordinary share having an aggregate nominal value of £0.05 was allotted for an aggregate consideration of SEK 10,500,000 (£900,939). The reason for the issue was to raise capital to acquire an increase in share capital of Granada Limited.

# **ITV Services Limited** **Notes**

## **Loans to group undertakings and participating interests**

	<b>Subsidiary undertakings £ 000</b>	<b>Total £ 000</b>
<b>Cost</b>		
Additions	8,850	8,850
At 31 December 2014	8,850	8,850

During the year the Company made a capital contribution to ITV LTVC Scottish Limited Partnership of £8,850,000.

## **Other investments**

	<b>Unlisted investments £ 000</b>	<b>Total £ 000</b>
<b>Cost</b>		
Additions	3,707	3,707
At 31 December 2014	3,707	3,707
<b>Net book value</b>		
At 31 December 2014	3,707	3,707

The Company paid and subscribed to 3,706,638 shares of ITV Properties (Jersey) Limited on 27th March 2014. The shares were subsequently issued on 17th September 2015.

## ITV Services Limited Notes

### Details of undertakings

\* Direct holding

\*\* Combination of a direct and indirect holding

All other entities can be considered to be indirect holdings

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
<b>Subsidiary undertakings</b>				
12 Yard (North) Productions Limited	United Kingdom	Ordinary	100%	Dormant company
Granada Limited	UK	Ordinary *	100%	Holding Company
12 Yard Holdings, Inc.	United States	Ordinary	100%	Holding company
Castlefield Properties Limited	UK	Ordinary *	100%	Provision of property to Group companies
12 Yard Limited	United Kingdom	Ordinary	100%	Other business support service activities n.e.c.
ITV Holdings (Cayman) Limited	Cayman Islands	Ordinary	100%	Investment company
12 Yard Productions (Investments) Limited	United Kingdom	Ordinary	100%	Television programme production activities
ITV Scottish Limited Partnership	Scotland	Ordinary *	100%	Trading in permitted assets
ITV Scotland Limited	Scotland	Ordinary	100%	Investment company
12 Yard Productions Limited	United Kingdom	Ordinary	100%	Other business support service activities n.e.c.
3sixtymedia Limited - Joint Venture	United Kingdom	Ordinary	80%	Television programme production activities
Action Time Holdings	United Kingdom	Ordinary	100%	Dormant company
Anglia Television (Music) Limited	United Kingdom	Ordinary	100%	Dormant company

**ITV Services Limited  
Notes**

Anglia Television Entertainment	United Kingdom	Ordinary	100%	Dormant company
Anglia Television Group	United Kingdom	Ordinary	100%	Dormant company
Anglia Television Holdings	United Kingdom	Ordinary	100%	Dormant company
Anglia Television Limited	United Kingdom	Ordinary	100%	Non-trading company
Anglia Television, Inc.	United States	Ordinary	100%	Production of TV programmes
Appalacian Rentals LLC	United States	Ordinary	80%	Production of films and TV programmes
Artist Services Cable Pty Ltd	Australia	Ordinary	100%	Dormant company
Artist Services Investments Pty Limited	Australia	Ordinary	100%	Television programme production activities
Big Talk Investments Limited	UK	Ordinary	100%	Television programme production activities
Big Talk JL Limited	United Kingdom	Ordinary	100%	Television programme production activities
Big Talk Pictures Limited	United Kingdom	Ordinary	100%	Motion picture production activities
Big Talk Productions Limited	United Kingdom	Ordinary	100%	Television programme production activities
Bluegrass Productions LLC	United States	Ordinary	80%	Production of films and TV programmes
Broad Street Films Limited	United Kingdom	Ordinary	100%	Non-trading company
Campania Limited	United Kingdom	Ordinary	100%	Activities of head offices
Carbon Media Limited	United Kingdom	Ordinary	100%	Television programme production activities
Cardinal Productions of Ohio Inc	United States	Ordinary	100%	Production of films and TV programmes
Carlton Active Limited	United Kingdom	Ordinary	100%	Non-trading company

**ITV Services Limited  
Notes**

Carlton Broadcasting Holdings	United Kingdom	Ordinary	100%	Dormant company
Carlton Broadcasting Limited	United Kingdom	Ordinary	100%	Dormant company
Carlton Cinema Limited	United Kingdom	Ordinary	100%	Non-trading company
Carlton Content Holdings Limited	United Kingdom	Ordinary	100%	Non-trading company
Carlton Entertainment	United Kingdom	Ordinary	100%	Television programme production activities - worldwide distribution of television programmes and films
Carlton Film Distributors Limited	United Kingdom	Ordinary	100%	Dormant company
Carlton Films Limited	United Kingdom	Ordinary	100%	Non-trading company
Carlton Food Network Limited	United Kingdom	Ordinary	100%	Television broadcasting and online content provision business
Carlton Home Entertainment Ireland Limited	Ireland	Ordinary	100%	Non-trading company
Carlton Media Company, Inc.	United States	Ordinary	100%	Production of fact based documentaries for television
Carlton Productions Limited	United Kingdom	Ordinary	100%	Non-trading company
Carlton Programmes Development Limited	United Kingdom	Ordinary	100%	Television programme production activities - investment in programme rights
Carltonco Forty-Five Limited	United Kingdom	Ordinary	100%	Non-trading company
Central Productions Limited	United Kingdom	Ordinary	100%	Non-trading company
Central Television Limited	United Kingdom	Ordinary	100%	Dormant company

**ITV Services Limited  
Notes**

Chad Alan Productinos LLC	United States	Ordinary	80%	Production of films and TV programmes
Channel Television Holdings Limited	United Kingdom	Ordinary	100%	Television programme production activities
Channel Television Limited	Jersey	Ordinary	100%	Television broadcasting and production
Cosgrove Hall Films Limited	United Kingdom	Ordinary	100%	Television programme production activities
Creative Channel Limited	Jersey	Ordinary	100%	Dormant company
Diga Holdings LLC	United States	Ordinary	51%	Production of films and TV programmes
Double Down Films Holdings LLC	United States	Ordinary	80%	Production of films and TV programmes
DTV Limited	United Kingdom	Ordinary	100%	Non-trading company
DTV Services Limited	United Kingdom	Ordinary	100%	Television programming and broadcasting activities
Eight Bells Productions LLC	United States	Ordinary	60%	Production of films and TV programmes
Elecrent Insurance Limited	Guernsey	Ordinary	100%	Insurance underwriter
Electric Farm Entertainment Holdings Inc.	United States	Ordinary	100%	Holding company
Electric Farm Entertainment, LLC	United States	Ordinary	100%	Non-trading company
Electronic Rentals Group	United Kingdom	Ordinary	100%	Dormant company
EQ Pictures Limited	United Kingdom	Ordinary	100%	Performing arts
Film Lab North Limited	United Kingdom	Ordinary	100%	Dormant company
First Independent Films	United Kingdom	Ordinary	100%	Dormant company



**ITV Services Limited  
Notes**

Franconia Productions LLC	United States	Ordinary	80%	Production of films and TV programmes
Gator productions LLC	United States	Ordinary	80%	Production of films and TV programmes
GC Films Pty Limited	Australia	Ordinary	100%	Television programme and production activities
Genesis Film Productions Limited	United Kingdom	Ordinary	100%	Dormant company
GIL Limited	United Kingdom	Ordinary	100%	Non-life insurance
Granada AV Solutions Limited	United Kingdom	Ordinary	100%	Non-trading company
Granada Cracker US Productions	United States	Ordinary	100%	Television films
Granada December Eight Limited	Cayman Islands	Ordinary	100%	Investment company
Granada December Nine Limited	Cayman Islands	Ordinary	100%	Investment company
Granada Film	United Kingdom	Ordinary	100%	Non-trading company
Granada Film Productions Limited	United Kingdom	Ordinary	100%	Non-trading company
Granada Group Limited	United Kingdom	Ordinary	100%	Non-trading company
Granada Media Group Limited	United Kingdom	Ordinary	100%	Non-trading company
Granada Media International (Australia) Pty Ltd	Australia	Ordinary	100%	Television programme and production activities
Granada Media Limited	United Kingdom	Ordinary	100%	Non-trading company
Granada Nominees Limited	United Kingdom	Ordinary	100%	Non-trading company
Granada Productions Limited	United Kingdom	Ordinary	100%	Dormant company
Granada Productions Pty Ltd	Australia	Ordinary	100%	Television programme and production activities

**ITV Services Limited  
Notes**

Granada Properties	United Kingdom	Ordinary *	100%	Dormant company
Granada Screen (2005) Limited	United Kingdom	Ordinary	100%	Non-trading company
Granada Television International	United Kingdom	Ordinary	100%	Dormant company
Granada Television International, Inc.	United States	Ordinary	100%	Production of TV programmes
Granada Television Limited	United Kingdom	Ordinary	100%	Dormant company
Granada Television Overseas Limited	United Kingdom	Ordinary	100%	Non-trading company
Granada Television Productions Limited	United Kingdom	Ordinary	100%	Dormant company
Granada UK Rental and Retail Limited	United Kingdom	Ordinary	100%	Non-trading company
Gurney Productions LLC	United States	Ordinary	61.5%	Production of films and TV programmes
Hamdon Entertainment, Inc	United States	Ordinary	100%	Production of fact based documentaries for television
High Noon Group LLC	United States	Ordinary	60%	Production of films and TV programmes
Imago TV Film und Fernsehproduktion GmbH	Germany	Ordinary	80%	Television programme production activities
Interactive Telephony Limited	United Kingdom	Ordinary	100%	Non-trading company
International Television Enterprises London Limited	United Kingdom	Ordinary	100%	Dormant company
ITC Distribution	United Kingdom	Ordinary	100%	Dormant company
ITC Distribution, LLC	United States	Ordinary	100%	Production of fact based documentaries for television
ITC Entertainment Group Limited	United Kingdom	Ordinary	100%	Television programme and production activities

**ITV Services Limited  
Notes**

ITC Entertainment Group, Inc	United States	Ordinary	100%	Holding company
ITC Entertainment Holdings Limited	United Kingdom	Ordinary	100%	Non-trading company
ITC Films, LLC	United States	Ordinary	100%	Non-trading company
ITC Productions, LLC	United States	Ordinary	100%	Holding company
ITV (Scotland) Limited	United Kingdom	Ordinary *	100%	Non-trading company
ITV Believe Holding, Inc.	United States	Ordinary	100%	Production of films
ITV Beowulf Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Border Limited	United Kingdom	Ordinary	100%	Television programme production activities
ITV Breakfast Broadcasting Limited	United Kingdom	Ordinary	100%	Television programme production activities
ITV Breakfast Limited	United Kingdom	Ordinary	100%	Television programme production activities
ITV Breathless Limited	United Kingdom	Ordinary	100%	Dormant company
ITV Broadcasting Limited	United Kingdom	Ordinary	100%	Television broadcasting and production
ITV Central Limited	United Kingdom	Ordinary	100%	Dormant company
ITV Channels Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Cilla Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Consumer Limited	United Kingdom	Ordinary	100%	Activities of head offices - management and airtime sales company
ITV Cradle Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Diga Holding, Inc.	United States	Ordinary	100%	Holding company

**ITV Services Limited  
Notes**

ITV Digital Channels Limited	United Kingdom	Ordinary	100%	Television programme production activities
ITV Global Content Limited	United Kingdom	Ordinary	100%	Dormant company
ITV Global Entertainment (Hong Kong) Limited	Hong Kong	Ordinary	100%	Co-ordination for marketing and promotion of television programmes
ITV Global Entertainment Inc.	United States	Ordinary	100%	Distribution of films and TV programmes
ITV Global Entertainment Limited	United Kingdom	Ordinary	100%	Television programme production activities - worldwide distribution of television programmes and films
ITV Gurney Holding Inc.	United States	Ordinary	100%	Holding company
ITV HN Holding Inc	United States	Ordinary	100%	Holding company
ITV Holdings Limited	United Kingdom	Ordinary *	100%	Non-trading company
ITV International Channels (Asia) Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV International Corporation	United States	Ordinary	100%	Management and tax services
ITV J&H Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Jambusters Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Jericho Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV JR Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Leftfield Holdings Inc	United States	Ordinary	100%	Production of films and TV programmes
ITV Lewis Limited	United Kingdom	Ordinary	100%	Television programme production activities

**ITV Services Limited  
Notes**

ITV London Properties Limited	Jersey	Ordinary	100%	Investment company
ITV LTVC (Scotland) Limited	United Kingdom	Ordinary *	100%	Non-trading company
ITV Lucan Limited	United Kingdom	Ordinary	100%	Television programme production activities
ITV Meridian Limited	United Kingdom	Ordinary	100%	Dormant company
ITV Moorside Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Mr Selfridge Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Network Limited	UK Limited by guarantee		100%	Television broadcasting related activities
ITV News Channel Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV NP Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Pension Scheme Limited	United Kingdom	Ordinary	100%	Financial intermediation not classified elsewhere
ITV Play Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Popco Holding, Inc.	United States	Ordinary	100%	Holding company
ITV Productions Limited	United Kingdom	Ordinary	100%	Dormant company
ITV Properties (Jersey) Limited	Jersey	Ordinary	100%	Investment company
ITV Rights Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Shetland Limited	United Kingdom	Ordinary	100%	Television programme production activities
ITV Spirit Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Studios (Israel) Limited	United Kingdom	Ordinary	100%	Non-trading company

**ITV Services Limited  
Notes**

ITV Studios Australia Factual Pty Limited	Australia	Ordinary	100%	Television programme production activities
ITV Studios Australia Pty Limited	Australia	Ordinary	100%	Television programme production activities
ITV Studios Finland Oy	Finland	Ordinary	100%	Television programme production activities
ITV Studios Germany GmbH	Germany	Ordinary	100%	Television programme production activities
ITV Studios Germany Holdings GmbH	Germany	Ordinary	100%	Television programme production activities
ITV Studios Limited	United Kingdom	Ordinary	100%	Television programme production activities
ITV Studios Nordic AB	Sweden	Ordinary	100%	Television programme production activities
ITV Studios Norway AS	Norway	Ordinary	100%	Television programme production activities
ITV Studios, France SAS	France	Ordinary	100%	Television programme production activities
ITV Studios, Inc.	United States	Ordinary	100%	Production of films and TV programmes
ITV Supplementary Pension Scheme Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV Text Santa Limited	United Kingdom	Ordinary	100%	Charity
ITV Thinkfactory Holding Inc	United States	Ordinary	100%	Holding company
ITV Thunderbirds Limited	United Kingdom	Ordinary	100%	Television programme and production activities
ITV Tomorrow Holding, Inc.	United States	Ordinary	100%	Holding company

**ITV Services Limited  
Notes**

ITV US Holdings, Inc.	United States	Ordinary	100%	Holding company
ITV US Productions, Inc.	United States	Ordinary	100%	Television films
ITV Ventures Limited	United Kingdom	Ordinary	100%	Other amusement and recreation activities n.e.c.
ITV Wales & West Group Limited	United Kingdom	Ordinary	100%	Dormant company
ITV Wales & West Limited	United Kingdom	Ordinary	100%	Dormant company
ITV Worldwide Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV2 Limited	United Kingdom	Ordinary	100%	Television programme production activities
ITV3 Limited	United Kingdom	Ordinary	100%	Non-trading company
ITV4 Limited	United Kingdom	Ordinary	100%	Non-trading company
Jaffe/Braunstein Entertainment, LLC	United States	Ordinary	51%	Production of films and TV programming
JB Entertainment Holding Company, Inc	United States	Ordinary	100%	Holding company
Juice Music UK Limited	United Kingdom	Ordinary	100%	Non-trading company
Kirkstall Road Enterprises, Inc.	United States	Ordinary	100%	Production of TV programmes for cable networks
Leftfield (UK) Limited	United Kingdom	Ordinary	80%	Production of films and TV programmes
Leftfield Australia Pty Ltd	Australia	Ordinary	80%	Production of films and TV programmes
Leftfield Entertainment CA LLC	United States	Ordinary	80%	Production of films and TV programmes
Leftfield Entertainment LLC	United States	Ordinary	80%	Production of films and TV programmes

**ITV Services Limited  
Notes**

Leftfield LA LLC	United States	Ordinary	80%	Production of films and TV programmes
Leftfield Pictures of NY Holding LLC	United States	Ordinary	80%	Production of films and TV programmes
Leftfield Pictures of NY LLC	United States	Ordinary	80%	Production of films and TV programmes
Leftfield Ventures LLC	United States	Ordinary	80%	Production of films and TV programmes
Link Electronics Limited	United Kingdom	Ordinary	100%	Non-trading company
London News Network	United Kingdom	Ordinary	100%	Dormant company
London Weekend Television Limited	United Kingdom	Ordinary	100%	Dormant company
Loud Television LLC	United States	Ordinary	75%	Production of films and TV programmes
LWT (Holdings) Limited	United Kingdom	Ordinary	100%	Dormant company
LWT Enterprises Inc.	United States	Ordinary	100%	Film and TV production
LWT Productions Limited	United Kingdom	Ordinary	100%	Dormant company
Meridian Music Services Limited	United Kingdom	Ordinary	100%	Dormant company
Millbank Studios	United Kingdom	Ordinary	100%	Dormant company
Morning TV Limited	United Kingdom	Ordinary	100%	Non-trading company
Moving Picture Company Films Limited	United Kingdom	Ordinary	100%	Dormant company
Music Services	United Kingdom	Ordinary	100%	Dormant company
New Providence Productions Limited	United Kingdom	Ordinary	100%	Television programme production activities
Next Step Productions LLC	United States	Preference	75%	Television programme and production activities



**ITV Services Limited  
Notes**

Oaklawn Pacific Properties LLC	United States	Ordinary	80%	Production of films and TV programmes
Out of Play LLC	United States	Ordinary	80%	Production of films and TV programmes
Outpost Entertainment LLC	United States	Ordinary	80%	Production of films and TV programmes
Over the Pond Productions, Inc.	United States	Ordinary	100%	Production of films and TV programmes
Ozark Pictures LLC	United States	Ordinary	80%	Production of films and TV programmes
Partridge Films	United Kingdom	Ordinary	100%	Dormant company
Partridge Holdings	United Kingdom	Ordinary	100%	Dormant company
Partridge Productions	United Kingdom	Ordinary	100%	Non-trading company
Pickwick Packaging Limited	United Kingdom	Ordinary	100%	Dormant company
Planet 24	United Kingdom	Ordinary	100%	Dormant company
Planet 24 Productions Limited	United Kingdom	Ordinary	100%	Dormant company
Planet Wild Productions Limited	United Kingdom	Ordinary	100%	Dormant company
Possessed Limited	United Kingdom	Ordinary	51%	Television programme production activities
Pro-Vision Facilities Limited	United Kingdom	Ordinary	100%	Non-trading company
Quay Street Enterprises, Inc.	United States	Ordinary	100%	Television programmes
Rainbow Music Publishing Limited	United Kingdom	Ordinary	100%	Non-trading company
SDN Limited	United Kingdom	Ordinary	100%	Television programme and production activities
SelecTV Cable	United Kingdom	Ordinary	100%	Dormant company
Sightseers Film Limited	United Kingdom	Ordinary	100%	Motion picture production activities
Signpost Limited	United Kingdom	Ordinary	100%	Non-trading company

**ITV Services Limited  
Notes**

Sirens Media LLC	United States	Ordinary	80%	Production of films and TV programmes
Sirens Television Development LLC	United States	Ordinary	80%	Production of films and TV programmes
SOM (ITV) Limited	UK	Ordinary	100%	Production of film and tv programmes
So Television Developments Limited	United Kingdom	Ordinary	100%	Dormant company
So Television Limited	United Kingdom	Ordinary	100%	Television programme and production activities
So Television US Inc.	United States	Ordinary	100%	Dormant company
Sunshine Production Holdings LLC	United States	Ordinary	80%	Production of films and TV programmes
Sunshine Productions LLC	United States	Ordinary	80%	Production of films and TV programmes
Survival Anglia	United Kingdom	Ordinary	100%	Dormant company
Television Music Limited	United Kingdom	Ordinary	100%	Dormant company
The CITV Channel Limited	United Kingdom	Ordinary	100%	Dormant company
The Garden Productions Limited	United Kingdom	Ordinary	100%	Television programme production activities
The London Studios Limited	United Kingdom	Ordinary	100%	Dormant company
Thinkfactory Group LLC	United States	Ordinary	65%	Production of films and TV programmes
Thinkfactory Productions Canada Ltd	Canada	Ordinary	65%	Production of films and TV programmes
Tomorrow ITV Studios LLC	United States	Preference	75%	Production of films and TV programmes
Totally Full Frontal Productions Pty Limited	Australia	Ordinary	100%	Dormant company

**ITV Services Limited  
Notes**

Tyne Tees Television Holdings	United Kingdom	Ordinary	100%	Dormant company
Tyne Tees Television Limited	United Kingdom	Ordinary	100%	Dormant company
United Broadcasting	United Kingdom	Ordinary	100%	Dormant company
United Broadcasting & Entertainment Limited	United Kingdom	Ordinary	100%	Dormant company
United Broadcasting Holdings	United Kingdom	Ordinary	100%	Dormant company
United Broadcsting South	United Kingdom		100%	Ordinary
United Production ApS	Denmark	Ordinary	100%	Television programme production activities
Upper Ground Enterprises, Inc.	United States	Ordinary	100%	Television programmes
VOD Member (ITV A) Limited	United Kingdom	Ordinary	100%	Other business support service activities n.e.c.
VOD Member (ITV B) Limited	United Kingdom	Ordinary	100%	Other business support service activities n.e.c.
Westcountry Television Limited	United Kingdom	Ordinary	100%	Dormant company
What's the Business LLC	United States	Ordinary	100%	Production of films and TV programmes
Wildlife Film Productions	United Kingdom	Ordinary	100%	Dormant company
Yorkshire Television Limited	United Kingdom	Ordinary	100%	Dormant company
Yorkshire-Tyne Tees Productions Limited	United Kingdom	Ordinary	100%	Non-trading company
Yorkshire-Tyne Tees Television Enterprises Limited	United Kingdom	Ordinary	100%	Dormant company
Yorkshire-Tyne Tees Television Holdings	United Kingdom	Ordinary	100%	Dormant company

## ITV Services Limited Notes

Z Music Publishing Limited	United Kingdom	Ordinary	100%	Dormant company
Zebedee Productions Limited	United Kingdom	Ordinary	100%	Non-trading company
<b>Joint ventures</b>				
Box Clever Technology Limited	United Kingdom	Ordinary	50%	Activities of head offices
British Film-Makers Limited	United Kingdom	Ordinary	50%	Artistic creation
Columbia Tristar Carlton Productions Limited	United Kingdom	Ordinary	50%	Dormant company
Digital 3 and 4 Limited	United Kingdom	Ordinary	50%	Operation of terrestrial multiples
Freesat (UK) Limited	United Kingdom	Ordinary	50%	Television programme production activities
Noho Film and Television Limited	United Kingdom	Ordinary	50%	Television programme production activities
Producers Rights Agency	United Kingdom	Ordinary	50%	Non trading company
Standard Music Limited	United States	Ordinary	50%	Television programme production activities
Television Media Marketing Limited	United Kingdom	Ordinary	50%	Dormant company
The Lab 2013 LP	Israel	Members interests	50%	Television programme production activities
<b>Associates</b>				
Absolutely Rights Limited	United Kingdom	Ordinary	20%	Non-trading company
Cirkus Limited	United Kingdom	Ordinary	29.41%	Television programme distribution activities
Independent Television News Limited	United Kingdom	Ordinary	40%	Independent Television News Broadcaster

**ITV Services Limited  
Notes**

ISAN UK Limited	United Kingdom	Ordinary	25%	Other business support service activities n.e.c.
That Mitchell and Webb Company Limited	United Kingdom	Ordinary	20%	Television programme production activities
Thinkbox TV Limited	United Kingdom	Ordinary	30%	Media related activities
Mammoth Screen Limited	UK	Ordinary	25%	Television programme and production activities