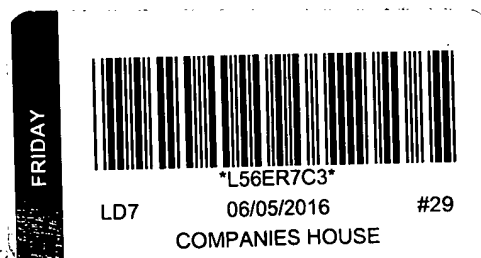


COMPANY REGISTRATION NUMBER: 2036243

**JUPITER ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**



JUPITER ASSET MANAGEMENT LIMITED

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JUPITER ASSET MANAGEMENT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present their Strategic Report for Jupiter Asset Management Limited (the “Company”) for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The Company is authorised and regulated by the Financial Conduct Authority. The Company acts as investment manager to mutual funds, segregated mandates and investment trusts. No significant change in the business of the Company is envisaged at present.

The Company is a subsidiary of Jupiter Fund Management plc (“JFM plc”) and is therefore part of a group of investment management companies collectively known as the “Group”. The Company has branch offices in Austria and Sweden, and two branch offices in Germany.

REVIEW OF THE BUSINESS

Results and key performance indicators

Against a background of challenging markets, operating profit decreased by 27% to £53.4m (restated 2014: £72.9m). This decrease is due to £28.6m of gains relating to the sale of private client contracts in 2014. When these gains are excluded operating profit has increased by 21%.

Dividends received from the Company’s principal subsidiary in the year amounted to £131.0m (2014: £47.3m). The profit for the financial year was £174.6m (restated 2014: £106.7m).

During the year dividends of £118.1m were paid (2014: £79.2m). No final dividend is proposed (2014: £nil).

At 31 December 2015, the Company had net assets of £206.1m (restated 2014: £133.1m). The Directors are confident of the Company’s medium term prospects.

The Return on Assets percentage for the year ended 31 December 2015, calculated as Net Profit after tax divided by Total Assets is 60.3% (restated 2014: 51.5%).

The Directors of Jupiter Fund Management plc manage the Group’s operations on a single operating segment basis. For this reason, the Company’s Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Jupiter Fund Management plc Group, which includes the Company, is discussed in the ‘Strategic Report’ section of the Group’s Annual Report which does not form part of this report. Copies of the Group’s Annual Report are available from the following website, www.jupiteram.com.

Financial risk management

In accordance with the rules of the Financial Conduct Authority, the Group has published information on its risk management objectives and policies and on its regulatory requirements and resources. This information is available on the Jupiter Group’s website (www.jupiteram.com).

The Company’s operations expose it to a variety of financial risks including, foreign exchange risk, interest rate cash flow risk and credit risk. The Company operates systems and controls to mitigate any adverse effects across the range of risks.

Foreign Exchange Risk

The Company earns fees in foreign currencies from several overseas clients. The Company’s policy is to hold only a minimum amount of currency to cover operational needs and therefore converts foreign currency on receipt. Direct exposure is therefore limited to the short-term outstanding currency fee debts at any time. The Company does not normally hedge this risk.

JUPITER ASSET MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

Interest Rate Cash Flow Risk

The Company has no debt. The Company is only exposed to interest rate cash flow risk in the level of return it earns on its cash deposits.

Credit Risk

The Company has implemented policies that require appropriate credit checks on customers. The Company is also directly exposed to credit risk in the placement of its cash deposits. The Company's policy is to place deposits only with financial institutions, which satisfy minimum ratings and other criteria set by the Counterparty Review Group ("the Committee"). The Committee monitors the Company and Group's counterparty exposures.

Future developments

The Company's future is dependent on the strategic and organisational decisions of its parent and the wider Group. At this time, the Directors do not envisage any significant changes to the Company's activities.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The Company has developed a risk assessment/management process that ensures all functions within the organisation identify and prioritise risks and that all significant risks are recorded and managed. Each part of the business is responsible for developing and maintaining procedures and controls. Operational activities that are outsourced to third party providers are monitored on a regular basis.

The Company operates in a competitive environment and the business is reliant on continuing demand for its investment products, which is influenced by several factors including investment performance and retention of key personnel. The industry is sensitive to economic, political and market factors. A large proportion of assets under management are invested in equities and therefore the Company's profits are sensitive to fluctuations in equity markets.

Taxation, legal and regulatory factors also influence the markets in which the Company operates. The industry is highly regulated and change in laws and regulations governing the industry could have an adverse effect on the Company.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in 'The risks to our strategy' section of the Group's Annual Report which does not form part of this report.

BY ORDER OF THE BOARD

S Hopwood



For and on behalf of Jupiter Asset Management Limited
The Zig Zag Building, 70 Victoria Street
London, SW1E 6SQ.
8 April 2016

JUPITER ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present their report and audited financial statements of Jupiter Asset Management Limited (the "Company") for the year ended 31 December 2015.

EMPLOYEES

Employee involvement

We place high value on talent development and performance management. We encourage the ongoing training and development of all our employees to allow them to maximise their performance in their roles, assist them in the achievement of corporate objectives and to reach their potential. All employees take part in a six-monthly appraisal process where feedback is sought, performance assessed and training and development needs identified. In addition, the group regularly provides employees with updates on group performance, strategy and other information that concerns them through the quarterly staff newsletter and staff meetings.

Our remuneration policy is designed to motivate, aid retention, improve individual and corporate performance and align employee behaviour with the interests of shareholders.

Disabled persons

The Company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to disabled employees wherever appropriate.

DIRECTORS

The Directors who served during the year are as follows:

J H Chatfeild-Roberts (Resigned 04/11/2015)
A J Creedy
P M Johnson
S B Pearson (Appointed 04/11/2015)
N J Ring (Appointed 14/09/2015)
M F Slendebroek

As permitted by the Articles of Association, the Directors have the benefit of indemnities in relation to the Company or an associated company which are qualifying third party indemnity provisions and qualifying pension scheme indemnity provisions, as defined by Sections 234 and 235 of the Companies Act 2006. The qualifying third party indemnity provisions were in force during the year and also at the date of approval of the financial statements.

COMPANY DETAILS AND REGISTERED OFFICE

The Company is a private company limited by shares. The Company is registered in England and Wales, and its registered office is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ.

FUTURE DEVELOPMENTS

Refer to the Strategic Report for details of future development.

DIVIDENDS

Refer to the Strategic Report for details on dividends.

JUPITER ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

ENVIRONMENTAL POLICY

We believe that environmental responsibility and commercial success are compatible and we are committed, wherever practicable, to environmental good practice throughout our business activities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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 the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BRANCHES

The Company has a branch office in Sweden, a branch office in Austria and two branch offices in Germany.

DISCLOSURE OF INFORMATION TO AUDITORS

The Directors are not aware of any relevant audit information of which the Company's auditors are unaware. The Directors also confirm that they have taken all the steps required of a company Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

GOING CONCERN

No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors.

INDEPENDENT AUDITORS

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

BY ORDER OF THE BOARD

S Hopwood



For and on behalf of Jupiter Asset Management Limited
The Zig Zag Building, 70 Victoria Street
London, SW1E 6SQ.
8 April 2016

JUPITER ASSET MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JUPITER ASSET MANAGEMENT LIMITED FOR THE YEAR ENDED 31 DECEMBER 2015

Report on the financial statements

Our opinion

In our opinion, Jupiter Asset Management Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Jupiter Asset Management Limited's financial statements comprise:

- the Balance Sheet as at 31 December 2015;
- the income statement for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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;
- The Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

JUPITER ASSET MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JUPITER ASSET MANAGEMENT LIMITED FOR THE YEAR ENDED 31 DECEMBER 2015

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

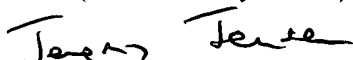
- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.

Jeremy Jensen (Senior Statutory Auditor)



for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

8 April 2016

JUPITER ASSET MANAGEMENT LIMITED**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £m	Restated * 2014 £m
Revenue	2	212.5	184.8
Fee and commission expenses		(8.3)	(4.3)
Net revenue		204.2	180.5
Administrative expenses	3	(150.8)	(135.4)
Other gains	5	1.3	29.0
Amortisation of intangible assets	10	(1.3)	(1.2)
Operating profit		53.4	72.9
Income from shares in Group undertaking		131.0	47.3
Finance income	8	0.5	0.3
Profit before taxation		184.9	120.5
Income tax expense	9	(10.3)	(13.8)
Profit for the year		174.6	106.7

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 £m	Restated * 2014 £m
Profit for the year	174.6	106.7
Foreign exchange movements	-	-
Total comprehensive income for the year	174.6	106.7

The notes on pages 12 to 37 form part of these financial statements.

*See notes 24 to 26 for details about the restatement of prior year comparatives.

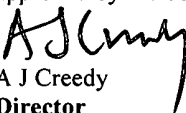
All amounts relate to continuing operations.

JUPITER ASSET MANAGEMENT LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2015**

	Note	2015	Restated* 31 Dec 2014	Restated* 1 Jan 2014
		£m	£m	£m
NON-CURRENT ASSETS				
Intangible assets	10	3.6	3.5	3.6
Property, plant and equipment	11	8.1	1.6	1.1
Investments in subsidiary undertakings	12	0.3	0.1	0.1
Deferred tax assets	13	11.5	10.9	16.3
		23.5	16.1	21.1
CURRENT ASSETS				
Trade and other receivables	15	55.1	25.3	15.6
Cash and cash equivalents		170.4	148.4	99.0
Financial assets at fair value through profit or loss	14	40.7	17.4	26.9
		266.2	191.1	141.5
TOTAL ASSETS		289.7	207.2	162.6
EQUITY ATTRIBUTABLE TO SHAREHOLDERS				
Share capital	16	19.0	19.0	19.0
Share premium account	17	0.3	0.3	0.3
Other reserves	18	0.4	0.4	0.4
Retained earnings	19	186.4	113.4	71.9
TOTAL EQUITY		206.1	133.1	91.6
NON-CURRENT LIABILITIES				
Trade and other payables	20	6.0	3.3	2.0
Deferred tax liabilities		-	0.5	0.6
		6.0	3.8	2.6
CURRENT LIABILITIES				
Trade and other payables	21	72.0	62.9	60.0
Current income tax liability		5.6	7.4	8.4
		77.6	70.3	68.4
TOTAL LIABILITIES		83.6	74.1	71.0
TOTAL EQUITY AND LIABILITIES		289.7	207.2	162.6

The financial statements of Jupiter Asset Management Limited (registration number 2036243) on pages 9 to 36 were approved by the board of Directors on 8 April 2016 and were signed on its behalf by:


A J Creedy
Director

*The notes on pages 12 to 36 form part of these financial statements. See notes 24 to 26 for details about the restatement of prior year comparatives.

JUPITER ASSET MANAGEMENT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
	£m	£m	£m	£m	£m
At 1 January 2014 (restated*)	19.0	0.3	0.4	71.9	91.6
	-	-	-	-	-
Restated profit for the financial year	-	-	-	106.7	106.7
Restated other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	106.7	106.7
Dividends paid	-	-	-	(79.2)	(79.2)
Share based payments	-	-	-	13.1	13.1
Current tax	-	-	-	5.0	5.0
Deferred tax	-	-	-	(4.1)	(4.1)
Total transactions with owners	-	-	-	(65.2)	(65.2)
At 31 December 2014 (restated*)	19.0	0.3	0.4	113.4	133.1
Profit for the financial year	-	-	-	174.6	174.6
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	174.6	174.6
Dividends paid	-	-	-	(118.1)	(118.1)
Share-based payments	-	-	-	13.2	13.2
Current tax	-	-	-	3.0	3.0
Deferred tax	-	-	-	0.3	0.3
Total transactions with owners	-	-	-	(101.6)	(101.6)
At 31 December 2015	19.0	0.3	0.4	186.4	206.1
Note	16	17	18	19	

*The notes on pages 12 to 36 form part of these financial statements. See notes 24 to 26 for details about the restatement of prior year comparatives.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

a. Accounting convention

These financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101 and applicable accounting standards in the United Kingdom. The Company has early adopted the Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 (SI 2015/980). These financial statements were prepared in accordance with the Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). The company has transitioned to FRS 101 from previously extant UK Generally Accepted Accounting Practice ('UK GAAP') for all periods presented. The effects of this transition are disclosed in Notes 24 to 26. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The Company is a wholly-owned subsidiary of Jupiter Fund Management plc and is included in the consolidated financial statements of Jupiter Fund Management plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

b. Turnover

Investment management fees are recognised in the period in which the service is performed. Management fees are calculated as a percentage of net fund assets managed in accordance with individual management agreements and are paid in accordance with the terms of the agreements. Performance fees are recognised when receivable. Turnover is shown net of any value added tax, rebates and discounts.

c. Distribution costs

Payments made to third parties for ongoing services under distribution agreements are charged to the profit and loss account over the period in which the service is expected to be provided. The services provided include the provision of access to a basket of fund products, information on financial products, promotional materials, ongoing services to customers and transaction processing.

d. Administrative expenses

Administrative expenses are accounted for on an accruals basis and include staff costs, operating costs such as legal and professional fees, advertising, audit fees, computer and printing fees, as well as fees to Group companies for group management services and fund accounting.

e. Property, plant and equipment

Property, plant and equipment is stated at cost, less accumulated depreciation and any provision for impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenditures are charged to the income statement during the financial period in which they are incurred. Depreciation is calculated on a straight line basis to allocate the cost of each asset over its estimated useful economic life as follows:

Office furniture and computer equipment

Three years to five years

Leasehold property improvements

Over the remaining period to the first potential lease expiry date

The assets' useful economic lives and residual values are reviewed at each financial period end and adjusted if appropriate. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal of the asset,

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

calculated as the difference between the net disposal proceeds and the carrying amount of the item, is included in the income statement in the year the item is sold or retired.

f. Financial instruments held at fair value

Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of an instrument, at fair value adjusted for transaction costs, except for financial assets classified as fair value through profit or loss ('FVTPL') where transaction costs are immediately recognised in the income statement. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or where they have been transferred and the Company has also transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability has been discharged, cancelled or has expired.

Financial assets

The Company's financial assets include short-term deposits, trade and other receivables, quoted and unquoted seed capital investments and derivative financial instruments. Financial assets are classified as at FVTPL (as held for trading or designated as at FVTPL), loans and receivables, or available for sale. The classification adopted by the Company depends on the purpose for which the financial assets were acquired and is determined at initial recognition.

Financial assets at fair value through profit or loss

Financial assets at FVTPL include investments in closed ended funds, open ended investment companies and unit trusts which are designated as at FVTPL, as they are managed and evaluated on a fair value basis, in accordance with the documented strategy. A financial asset is classified in this category if it has been acquired principally for the purpose of selling in the short term. Financial assets at FVTPL are carried at fair value, with gains and losses recognised in the income statement in the period in which they arise. Assets in this category are classified as current assets

Financial liabilities

The Company's financial liabilities include derivative financial instruments and trade and other payables.

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL are carried at fair value, with gains and losses recognised in the income statement within other gains in the period in which they arise.

g. Total return swap

The Company holds a total return swap over part of its investment portfolio. Gains or losses on the swap are recognised in the income statement in accordance with the monthly cash settlement terms of the swap contract over the term of the contract. At the balance sheet date, the cash settlement due from or to the counterparty is recorded within current assets or liabilities as appropriate reflecting the month-end realisation.

h. Foreign currencies

For branch offices the local currency is that of the primary economic environment in which the branch operates and generates cash flow (the 'functional currency'). Foreign currency transactions are translated at the rates of exchange applicable at the dates of the transactions. Foreign currency balances outstanding at the balance sheet date are translated at the rates of exchange prevailing on that date.

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the balance sheet date. Revenue and expense items are translated at the average monthly exchange rate during the year.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

The financial statements are presented in sterling ('£'), which is the Company's functional and presentational currency as well as the currency in which the majority of the Company's revenue streams, assets and liabilities are denominated.

i. Pension costs

The Company contributes to a defined contribution pension scheme on behalf of employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

j. Operating leases

Operating leases are leases where the lessor retains substantially all the risks and benefits of ownerships of the asset. All of the Company's leases are operating leases and rental payments are charged to the income statement on a straight-line basis over the term of the lease.

k. Taxation

The Company provides for current tax according to United Kingdom tax laws, using tax rates that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A deferred tax asset is recognised when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits generated by the Company from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

l. Dividends

Dividend distributions to shareholders are recognised in the period in which they are approved by the Board. Dividends receivable are recognised in the period in which they are received.

m. Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost, unless there has been impairment in value. The carrying amount of the Company's subsidiaries is reviewed at each reporting date to determine whether there is an indication of impairment. If such an indication exists, then the subsidiaries' recoverable amount is estimated. Losses are recognised in the income statement and reflected in a provision against the carrying value of the subsidiary. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the income statement.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

n. Share-based payments

The Company engages in share-based payment transactions in respect of services receivable from certain employees. The right to acquire either shares or options over shares in Jupiter Fund Management plc, subject to certain vesting conditions, is granted by the ultimate parent company, Jupiter Fund Management plc. These have been accounted for as equity settled share-based payments.

The difference between the fair value of the employee services received in respect of the shares or share options granted and the price payable is recognised as an expense over the appropriate performance and vesting period. The corresponding credit is recognised in retained earnings within total equity. The fair value of services is calculated using the market value on the date of award, and discounted for dividends foregone over the holding period of the award, and is adjusted for expected and actual levels of vesting which includes estimating the number of eligible employees leaving the Group and the number of employees satisfying the relevant performance conditions. These estimates are reviewed regularly and the charge to the income statement is adjusted appropriately.

As a minimum, this is adjusted at the end of the relevant scheme and each financial year end. Shares and options vest on the occurrence of a specified event under the rules of the relevant plan.

o. Disclosure exemptions

The Company is a wholly owned subsidiary of Jupiter Fund Management plc and is included in the publicly available consolidated financial statements of Jupiter Fund Management plc. Consequently, the Company has taken advantage of disclosure exemptions available in FRS 101. The Company has not prepared a Statement of Cash Flows per paragraph 10(d) of IAS 1 'Presentation of financial statements'. The Company is also exempt from the terms of IAS 24 'Related Party Disclosures', from disclosing related party transactions with entities that are part of the Group and from disclosing key management compensation. The Company has also taken advantage of the exemption from the requirements of IFRS 7 'Financial Instruments: Disclosures' and paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based Payment', as the share-based payment arrangements relate to shares in Jupiter Fund Management plc and the necessary equivalent disclosures are included in the consolidated financial statements of Jupiter Fund Management plc.

p. Fund units

Deferred bonuses can be deferred into either options over the Company's shares or a cash equivalent to units in the Group's funds.

Where bonuses are deferred into fund units, the fair value of the award is spread over the vesting period and included within staff costs. The liability is revalued at each balance sheet date to the expected settlement amount and is therefore based on the current market value of the underlying fund unit. Any increase or decrease in value is recognised in the income statement within staff costs. The liability is included in the balance sheet as part of accruals and deferred income within non-current trade and other payables (see Note 20). The company hedges its exposure to price fluctuations in the underlying fund units, by purchasing the fund units at the date of grant. These are included within financial assets at fair value through profit or loss on the balance sheet.

q. Intangible assets

Computer software licenses acquired are capitalised at the cost incurred to bring the software into use and are amortised on a straight line basis over their estimated useful lives, which are estimated as being five years.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

Costs associated with developing or maintaining computer software programs that do not meet the capitalisation criteria under IAS 38 are recognised as an expense as incurred.

Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying value of the asset. The difference is then recognised in the income statement.

An assessment is made at each reporting date as to whether there is any indication that an asset in use may be impaired. If any such indication exists and the carrying values exceed the estimated recoverable amount at that time, then the assets are written down to their recoverable amount. The recoverable amount is measured as the greater of fair value less costs to sell and value in use. Assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

r. Going concern

The Company meets its day-to-day working capital requirements through its cash reserves, and additional funding could be provided by other Group companies if necessary. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash reserves. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

2. REVENUE

Revenue is stated exclusive of value added tax and represents fees receivable in respect of investment management, advisory and administration services, together with client commissions.

	2015 £m	2014 £m
Geographical analysis		
UK	163.7	150.2
Europe	46.4	28.7
Rest of the world	2.4	5.9
	<u>212.5</u>	<u>184.8</u>

The net revenue information above is based on the location of the customer. The Company did not have any single customer or distributor contributing more than 10 per cent of revenues during the year (2014: none).

Revenue includes management and advisory fees receivable from Group undertakings of £144.3m (2014: £117.8m).

3. ADMINISTRATIVE EXPENSES

	2015 £m	Restated 2014 £m
Staff costs (Note 6)	104.0	95.8
Restated depreciation of tangible fixed assets	0.9	1.0
Operating lease rentals:		
Office rent	3.4	1.8
Services provided by the Company's auditors:		
Fees payable for the audit of the statutory financial statements of the Company	0.1	0.1
Fees payable for the audit of the statutory financial statements of fellow subsidiaries of the Group	0.2	0.2
Fees payable to the auditors of the Company for non-audit related services:		
- Other assurance services	0.1	0.1
- Tax advisory services	-	0.1
- Other non-audit services	0.1	0.1
Other administrative expenses	42.0	36.2
	<u>150.8</u>	<u>135.4</u>

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

4. SHARE-BASED PAYMENTS

The fair value of shares and options granted during the year to be charged over the vesting period was £19.8m (2014: £14.0m).

A summary of the charge taken to the income statement excluding national insurance for each share-based payment arrangement is shown below.

	2015 £m	2014 £m
Options over pre-Listing shares	0.2	0.3
Deferred bonus plan ("DBP")	5.0	6.3
Long-term incentive plan ("LTIP")	7.6	6.2
Save as you earn ("SAYE")	0.4	0.3
Share incentive plan ("SIP")	0.3	0.4
Total	13.5	13.5

(i) Interests in options under pre-Listing share plan

These options were granted to certain employees prior to JFM plc's Listing in June 2010 and allowed them to acquire shares at nominal value, subject to satisfying certain vesting and performance conditions. The terms of the options allow individuals to make a payment to the Company entitling them to take up rights to shares between one and five years after the grant date, depending on the individual award. The interests in options under the pre-Listing Share Plan were granted at the nominal price of £0.02, which gives them the characteristics of nil cost options, and therefore, the fair value of these awards is based on the market value at the date of the award.

The weighted average share price at the date of exercise of these options was £4.41 (2014: £3.92) per ordinary share.

The weighted average remaining contractual life for the share options outstanding as at 31 December 2015 is 2.0 years (2014: 0.4 years).

(ii) Deferred Bonus Plan ("DBP")

All employees of the Group who are eligible for a bonus over a certain level, as determined by the Remuneration Committee, are required to participate in the DBP which provides for compulsory deferral of a proportion of bonus into either options over JFM plc's shares or units in the Group's funds. The awards in respect of this plan are granted after the year end to which they relate. The first year of this award was related to 2010 performance, with the first options granted in April 2011. The awards made in 2014 in relation to 2013 performance were granted in the form of nil cost options over JFM plc's shares, at a price calculated as the market price immediately prior to the date of the award. Awards will also be made in 2015 in relation to 2014 performance, thus a charge for these awards has been taken to the income statement in 2014.

The weighted average share price at the date of exercise of these options was £4.30. (2014: £3.87).

The weighted average remaining contractual life of the share options outstanding under this plan at 31 December 2015 was 1.2 years (2014: 1.1 years).

(iii) Long-term incentive plan ("LTIP")

All employees are eligible to participate in the LTIP. Awards are made at the discretion of the Remuneration Committee and may be granted in the form of options (either at market value, nominal value or nil-cost), restricted shares or conditional share awards over JFM plc's shares. The LTIP awards granted in 2015 and 2014 took the form of nominal cost (£0.02) options over the JFM plc's shares.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

4. SHARE-BASED PAYMENTS (CONTINUED)

The weighted average share price at the date of exercise of these options was £4.27 (2014: £3.90).

The weighted average remaining contractual life of the share options outstanding under this plan at 31 December 2015 was 1.5 years (2014: 1.4 years).

(iv) Sharesave Plan

All eligible UK employees may participate in JFM plc's Sharesave Plan, which was introduced in 2010. Under the terms of this plan, employees may enter into contracts to save up to £250 per month and, at the expiry of a fixed three or five year term, have the option to use these savings to acquire shares in JFM plc at a discounted price, calculated under the rules of the plan (currently a 20 per cent. discount to the market price at the date of award). Participants in the plan have six months from the date of vesting to exercise their option.

The weighted average share price at the date of exercise of these options was £4.18 (2014: £3.63) per ordinary share.

The range of exercise prices of options granted under this scheme is between £1.69 and £3.45.

The weighted average remaining contractual life of the share options outstanding under this plan at 31 December 2015 was 2.1 years (2014: 2.2 years).

(v) Share Incentive Plan (SIP)

All eligible UK employees may participate in JFM plc's Share Incentive Plan, which was introduced in 2013. Under the terms of this plan, employees may contribute up to the maximum amount permitted under legislation in any tax year from pre-tax salary to be used to acquire shares in JFM plc at the market price on the relevant date. Matching shares are then awarded by JFM plc on a one matching share for each share purchased basis. The matching shares are subject to forfeiture where the employee leaves employment with the Group within three years of their award. The number of matching shares purchased under this scheme during the year was 75,491 (2014: 97,737).

JUPITER ASSET MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015****5. OTHER GAINS**

	2015 £m	Restated 2014 £m
Sale of private client contracts	-	28.6
Realised gain/(loss) on disposal of investments	1.4	(0.3)
Unrealised gain/(loss) on financial assets at FVTPL	(0.1)	0.7
	<u>1.3</u>	<u>29.0</u>

Other gains for the year were £1.3m (restated 2014: £29.0m). The prior year gain principally related to the sale of our private client contracts to Rathbone Investment Management Limited.

6. EMPLOYEE INFORMATION

a. Employment costs, including Directors	2015 £m	2014 £m
Wages and salaries	72.4	67.4
Share-based payment charge (Note 4)	13.5	13.5
Social security costs	13.9	10.7
Other pension costs	4.2	4.2
	<u>104.0</u>	<u>95.8</u>

Fund Units

As described in Note 4(ii), deferred bonuses can be deferred into either options over the Company's shares or a cash equivalent to units in the Company's funds. The expense included within the income statement in relation to fund units for the year ended 31 December 2015 was £2.9m (2014: £1.3m).

b. The average monthly number of persons employed by the Company during the year by activity:	2015 Number	2014 Number
Fund management	61	76
Distribution and marketing	97	93
Infrastructure and operations	266	280
	<u>424</u>	<u>449</u>

Wages and salaries include employee incentive arrangements of £39.4m (2014: £31.7m).

c. Pension arrangements

The Company contributes to a defined contribution pension scheme (the Jupiter Pension Scheme) for the benefit of its employees. The contributions are made at the rate of 15% of gross salary. No liability is included in the balance sheet for payments to the scheme as no obligations were outstanding at the balance sheet date.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

7. DIRECTORS' EMOLUMENTS

Certain Directors provide services as Directors to a number of the Group companies and their emoluments are charged accordingly. The figures below represent an apportionment of their emoluments in respect of this Company and its subsidiaries only.

a. Directors' emoluments

	2015	2014
		£m
Aggregate emoluments including bonuses	6.1	8.8
Compensation for loss of office	-	0.1
Pension contributions	0.1	0.2
	<u>6.2</u>	<u>9.1</u>

Pension contributions were made to defined contribution pension schemes during the year on behalf of three Directors (2014: eight).

Shares in Jupiter Fund Management plc were receivable by four Directors under long-term incentive schemes (2014: eleven). During 2015, four Directors exercised options over the shares of Jupiter Fund Management plc (2014: eleven).

Certain Directors of the Company are also directors of the ultimate parent company, Jupiter Fund Management plc. Further details in relation to the emoluments they receive as part of their employment by the Jupiter Group are available in the Jupiter Fund Management plc Annual Report.

b. Emoluments of the highest paid Director

	2015	2014
	£m	£m
Emoluments including amounts (excluding shares) receivable under long-term incentive arrangements	2.0	1.7
Pension contributions	-	0.1
	<u>2.0</u>	<u>1.8</u>

In 2015 and 2014 shares were receivable by the highest paid Director under long-term incentive schemes.

In 2015 and 2014 the highest paid Director exercised options over the shares of Jupiter Fund Management plc.

8. FINANCE INCOME

The Company earns income as a result of holding cash in bank deposits. Interest on cash and cash equivalents is recognised on the accruals basis using the effective interest rate method.

	2015	2014
	£m	£m
Deposit interest	0.5	0.3
	<u>0.5</u>	<u>0.3</u>

JUPITER ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

9. INCOME TAX EXPENSE

	2015 £m	Restated 2014 £m
The tax charge is made up as follows:		
Current tax		
UK corporation tax	11.3	12.3
Double tax relief	(0.1)	(0.1)
	<u>11.2</u>	<u>12.2</u>
Adjustment in respect of prior years	(0.1)	0.1
Overseas tax	0.1	0.2
Total current tax	<u>11.2</u>	<u>12.5</u>
Deferred tax		
Origination and reversal of timing differences	(1.0)	1.1
Adjustments in respect of prior years	(0.1)	-
Effect of tax rate change on opening balance	0.2	0.2
Total deferred tax	<u>(0.9)</u>	<u>1.3</u>
Tax on profit on ordinary activities	<u>10.3</u>	<u>13.8</u>

With effect from 1 April 2015, the UK corporation tax rate changed from 21 per cent. to 20 per cent, resulting in a weighted average UK corporation tax rate for 2015 of 20.25 per cent. (2014: 21.5 per cent.). The tax charge in the year is lower (restated 2014: lower) than the standard rate of corporation tax in the UK and the differences are explained below:

	2015 £m	2014 £m
Reconciliation of tax charge:		
Profit on ordinary activities before taxation	<u>184.9</u>	<u>120.6</u>
Taxation at the standard corporation tax rate 20.25% (2014: 21.5%)	37.4	25.9
Dividends from shares in subsidiary undertakings	(26.6)	(10.2)
Expenses not deductible for tax purposes	0.2	-
Group relief (received) without consideration	(0.2)	(0.6)
Overseas tax suffered in excess of UK rate	0.1	0.2
Double tax relief	(0.1)	(0.1)
Other permanent differences	(0.5)	-
Timing differences in respect of share options	-	-
Other timing differences	-	-
Capital losses (received) without consideration	-	(1.7)
Adjustments in respect of prior years	(0.2)	0.3
Impact of tax rate change on deferred tax balances	0.2	-
Total tax charge for the year	<u>10.3</u>	<u>13.8</u>

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

10. INTANGIBLE ASSETS

	Computer software	
	2015	Restated 2014
	£m	£m
Cost:		
At 1 January	14.5	13.4
Additions	1.4	1.1
Disposals	(4.2)	-
At 31 December	11.7	14.5
Accumulated amortisation:		
At 1 January	(11.0)	(9.8)
Charge for the year	(1.3)	(1.2)
Disposals	4.2	-
At 31 December	(8.1)	(11.0)
Net book value		
At 31 December	3.6	3.5

11. PROPERTY, PLANT AND EQUIPMENT

	2015			Restated 2014		
	Leasehold/ property improvements £m	Office furniture and computer equipment* £m	Total £m	Leasehold/ property improvements £m	Office furniture and computer equipment* £m	Total £m
Cost:						
At 1 January	0.4	7.6	8.0	0.4	6.1	6.5
Additions	4.4	3.2	7.6	-	1.5	1.5
Disposals	(0.5)	(3.1)	(3.6)	-	-	-
At 31 December	4.3	7.7	12.0	0.4	7.6	8.0
Accumulated depreciation:						
At 1 January	(0.4)	(6.0)	(6.4)	(0.4)	(5.1)	(5.5)
Charge for the year	-	(0.9)	(0.9)	-	(0.9)	(0.9)
Disposals	0.4	3.0	3.4	-	-	-
At 31 December	-	(3.9)	(3.9)	(0.4)	(6.0)	(6.4)
Net book value:						
At 31 December	4.3	3.8	8.1	-	1.6	1.6

* Includes Motor Vehicles.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

12. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

The Company's only subsidiary is Jupiter Unit Trust Managers Limited, which is incorporated in England and Wales and operates as a management company to mutual funds and Investment Trusts. The registered office is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ. The Company owns 100 per cent of the ordinary shares.

	2015 £m	2014 £m
At 1 January	0.1	0.1
Share capital issued	0.2	-
At 31 December	0.3	0.1

13. DEFERRED TAX ASSETS

	2015 £m	Restated 2014 £m
Non-current receivables		
Deferred tax assets	11.5	10.9
Deferred tax assets relating to temporary timing differences.		
Deferred tax assets comprise:	2015 £m	Restated 2014 £m
Capital allowances	0.6	0.5
Share based payments	9.5	9.5
Other timing differences	0.2	0.2
Deferred income	1.2	0.7
	11.5	10.9
Reconciliation of deferred tax assets:	2015 £m	Restated 2014 £m
Deferred tax assets brought forward	10.9	16.3
Credit to equity	(0.3)	(4.1)
Credit to retained earnings (Note 9)	0.9	(1.3)
Deferred tax assets carried forward	11.5	10.9

JUPITER ASSET MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

Financial assets at fair value through profit or loss are made up of seed investments totalling to £40.7m (restated 2014: £17.4m).

Seed capital investments in funds which are associates and subsidiary undertakings are designated as financial assets at fair value through profit or loss. The investments in which the Company has a holding above 20% are disclosed below.

Name	Category	Registered office and country of incorporation	Principal activities	Financial assets at FVTPL £m	Percentage of total shares held	Share class held by the Company	Date of the end of the reporting period
Jupiter Global Fund SICAV: Global Emerging Markets Unconstrained	Subsidiary	6 Route de Treves, Senningerberg, Luxembourg	SICAV sub-fund	12.6	79%	D USD Acc L USD Acc	30 September
Jupiter Enhanced Distribution Fund	Subsidiary	70 Victoria Street, London, England	Unit trust	10.3	72%	I Class Acc	31 March

As at 31 December 2014, the associate seed capital investment was Jupiter Global Emerging Markets Fund.

All financial assets in the current and prior year are Level 1 in the fair value hierarchy. Seed capital investments are actively traded in organised financial markets and their fair value is determined by reference to quoted market bid prices at the close of business on the balance sheet date.

JUPITER ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Entities in which the Company holds more than 20 per cent. of the shares in any single share class, but over which the Company has neither control nor significant influence, are summarised below:

Name	Share class held by the Company	Registered office and country of incorporation	Principal activities	Financial assets at FVTPL £m	Percentage of share class held by the Company	Percentage of total shares held	Date of the end of the reporting period
Jupiter Global Fund SICAV: Europa	L EUR A	6 Route de Treves, Senningerberg, Luxembourg	SICAV sub-fund	4.9	38%	12%	30 September
Jupiter Global Emerging Markets Fund	Acc	70 Victoria Street, London, England	Unit trust	4.2	36%	19%	31 May
Jupiter European Feeder SICAV	L GBP Acc	6 Route de Treves, Senningerberg, Luxembourg	SICAV sub-fund	0.3	100%	5%	30 June
Jupiter Global Fund SICAV: European Opportunities	E USD	6 Route de Treves, Senningerberg, Luxembourg	SICAV sub-fund	0	98%	0%	30 September
Jupiter Global Fund SICAV: Global Financials	L USD Acc	6 Route de Treves, Senningerberg, Luxembourg	SICAV sub-fund	0.7	100%	1%	30 September
JMF – Jupiter Merlin International Equities Portfolio	D GBP	6 Route de Treves, Senningerberg, Luxembourg	SICAV sub-fund	0	100%	0%	31 August
Jupiter Global Fund SICAV: Strategic Total Return	L CHF Acc	6 Route de Treves, Senningerberg, Luxembourg	SICAV sub-fund	0	20%	0%	30 September

JUPITER ASSET MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015****15. TRADE AND OTHER RECEIVABLES**

	2015 £m	Restated 2014 £m
Trade receivables	0.5	0.8
Amounts owed by Group undertakings	43.3	9.8
Other receivables	1.4	0.9
Prepayments and accrued income	9.9	13.8
	55.1	25.3

Amounts due from Group undertakings were unsecured, interest free and repayable on demand.

The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

16. SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

	2015 £m	2014 £m
Authorised, issued, allotted, called-up and fully paid:		
19,000,000 (2014: 19,000,000) ordinary shares of £1.00 each	19.0	19.0

17. SHARE PREMIUM ACCOUNT

	2015 £m	2014 £m
At 31 December	0.3	0.3

18. OTHER RESERVES

	2015 £m	2014 £m
At 31 December	0.4	0.4

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

19. RETAINED EARNINGS

Retained earnings of £186.4m (restated 2014: £113.4m) are the amount of earnings that are retained within the Company after dividend payments and other transactions with owners.

Dividend distributions to the Company's shareholders are recognised in the accounting period in which the dividends are paid and, in the case of final dividends, when these are approved by the Company's shareholders.

	2015 £m	2014 £m
First interim ordinary dividend £5.53 per share (2014: £2.89)	105.1	55.0
Second interim ordinary dividend £0.68 per share (2014: £1.27)	13.0	24.2
	<u>118.1</u>	<u>79.2</u>

20. NON CURRENT TRADE AND OTHER PAYABLES

	2015 £m	Restated 2014 £m
Accruals and deferred income	6.0	3.3
	<u>6.0</u>	<u>3.3</u>

21. TRADE AND OTHER CURRENT PAYABLES

	2015 £m	Restated 2014 £m
Trade payables	3.6	3.8
Amounts owed to Group undertakings	9.7	10.3
Other taxation and social security	13.8	8.9
Accruals and deferred income	44.9	39.9
	<u>72.0</u>	<u>62.9</u>

Amounts due to Group undertakings are unsecured, interest free and repayable on demand.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

22. FINANCIAL COMMITMENTS

The total commitments in respect of operating leases are as follows:

	2015 Land and Buildings £m	2015 Other £m	2014 Land and Buildings £m	2014 Other £m
Expiring within one year	0.1	0.1	-	-
Expiring in more than one year but less than five years	9.5	0.1	0.9	0.2
Expiring in over five years	66.5	-	-	-
	<u>76.1</u>	<u>0.2</u>	<u>0.9</u>	<u>0.2</u>

23. RELATED PARTIES

The Company is investment manager for a number of investment trusts and funds. The Company receives a management fee from these entities for managing the assets, and in some instances a performance fee. The fee arrangements for the different entities are disclosed within the financial statements of each entity or within other information which is publicly available.

Total amounts received by way of management fees less rebates were £54.9m (2014: £51.6m). The amounts received for the year relating to performance fees totalled £1.7m (2014: £4.9m).

At 31 December 2015 the Company had a total net investment in collective investment vehicles of £41.0m (2014: £15.1m) and received distributions of £0.1m (2014: £0.1m). During 2015, it invested £28.5m (2014: £2.0m) in seed capital investments and received £6.6m (2014: £11.7m) on disposal of them.

JUPITER ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

24. TRANSITION TO FRS 101

These financial statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with FRS 101. Accordingly, the Company has prepared individual financial statements which comply with FRS 101 applicable for periods from 1 January 2014 (the 'transition date') and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the Company has started from an opening balance sheet as at 1 January 2014, the date of the Company's transition to FRS 101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101.

Several re-classifications and re-measurements arose from the transition to FRS 101. The cumulative effect of the adjustments were to increase net assets as at 1 January 2014 and 31 December 2014, and decrease comprehensive income for the year ending 31 December 2014. Notes 25 and 26 illustrate the effects of these adjustments on the balance sheet and statement of comprehensive income.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

25. RESTATED COMPARATIVE BALANCE SHEET

The below table reconciles the Company's financial position from previous GAAP to FRS 101 as at the transition date, 1 January 2014.

	UK GAAP 1 Jan 2014 £m	Adjustment £m	Note	FRS 101 1 Jan 2014 £m
NON-CURRENT ASSETS				
Intangible assets	-	3.6	(b)	3.6
Property, plant and equipment	4.7	(3.6)	(b)	1.1
Investments in subsidiary undertakings	0.1	-		0.1
Deferred tax assets	4.2	12.1	(d)	16.3
	9.0	12.1		21.1
CURRENT ASSETS				
Financial assets at fair value through profit or loss	24.0	2.9	(a)	26.9
Trade and other receivables	20.1	(4.5)	(d)	15.6
Cash and cash equivalents	99.0	-		99.0
	143.1	(1.6)		141.5
TOTAL ASSETS	152.1	10.5		162.6
EQUITY ATTRIBUTABLE TO SHAREHOLDERS				
Share capital	19.0	-		19.0
Share premium account	0.3	-		0.3
Other reserves	0.4	-		0.4
Retained earnings	62.0	9.9	(e)	71.9
		-		-
TOTAL EQUITY	81.7	9.9		91.6
NON-CURRENT LIABILITIES				
Trade and other payables	-	2.0	(g)	2.0
Deferred tax liabilities	-	0.6	(c)	0.6
	-	2.6		2.6
CURRENT LIABILITIES				
Trade and other payables	70.4	(10.4)	(f), (g)	60.0
Current income tax liability	-	8.4	(f)	8.4
	70.4	(2.0)		68.4
TOTAL LIABILITIES	70.4	0.6		71.0
TOTAL EQUITY AND LIABILITIES	152.1	10.5		162.6

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

25. RESTATED COMPARATIVE BALANCE SHEET (CONTINUED)

- (a) This adjustment relates to investments the Company holds in Jupiter funds and unit trusts. Under previous GAAP, the investments were stated at the lower of cost and net realisable value. Under FRS 101, they are classified as financial assets at fair value through profit or loss. At the transition date the fair value of the investments was greater than the lower of cost and net realisable value by £2.9m.
- (b) This adjustment relates to computer software. Under previous GAAP these assets were classified as tangible fixed assets, whereas under FRS 101 they are classified as intangible assets. There has been no change to the overall carrying value of the assets or the amortisation/depreciation charged to the income statement.
- (c) This adjustment relates to deferred tax liabilities which arise when fair valuing investments.
- (d) There are two adjustments to deferred tax assets. The first increases the deferred tax assets relating to share based payments by £7.6m. The second re-classifies the previously recognised deferred tax assets of £4.5m as non-current rather than current, and has no effect on retained earnings.
- (e) This adjustment is the aggregate effect of adjustments (a), (c) and (d) on retained earnings.
- (f) This adjustment discloses the current income tax liability separately, whereas it was included within the creditors balance in the previously issued financial statements. This has no effect on net assets.
- (g) This adjustment discloses non-current trade and other payables separately, whereas they were included within the creditors balance in the previously issued financial statements. This has no effect on net assets.

The table on the following page reconciles the Company's financial position from previous GAAP to FRS 101 as at 31 December 2014. The reconciled amounts have been included as the prior year comparatives in the balance sheet on page 10.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

25. RESTATED COMPARATIVE BALANCE SHEET (CONTINUED)

	UK GAAP 31 Dec 2014 £m	Adjustment £m	Note £m	FRS 101 31 Dec 2014 £m
NON-CURRENT ASSETS				
Intangible assets	-	3.5	(i)	3.5
Property, plant and equipment	5.1	(3.5)	(i)	1.6
Investments in subsidiary undertakings	0.1	-		0.1
Deferred tax assets	3.9	7.0	(k)	10.9
	9.1	7.0		16.1
CURRENT ASSETS				
Financial assets at fair value through profit or loss	15.1	2.3	(h)	17.4
Trade and other receivables	28.6	(3.3)	(k)	25.3
Cash and cash equivalents	148.4	-		148.4
	192.1	(1.0)		191.1
TOTAL ASSETS	201.2	6.0		207.2
EQUITY ATTRIBUTABLE TO SHAREHOLDERS				
Share capital	19.0	-		19.0
Share premium account	0.3	-		0.3
Other reserves	0.4	-		0.4
Retained earnings	107.9	5.5	(n)	113.4
		-		-
TOTAL EQUITY	127.6	5.5		133.1
NON-CURRENT LIABILITIES				
Trade and other payables	-	3.3	(m)	3.3
Deferred tax liabilities	-	0.5	(j)	0.5
	-	3.8		3.8
CURRENT LIABILITIES				
Trade and other payables	73.6	(10.7)	(l), (m)	62.9
Current income tax liability	-	7.4	(l)	7.4
	73.6	(3.3)		70.3
TOTAL LIABILITIES	73.6	0.5		74.1
TOTAL EQUITY AND LIABILITIES	201.2	6.0		207.2

JUPITER ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

25. RESTATED COMPARATIVE BALANCE SHEET (CONTINUED)

- (h) This adjustment relates to investments the Company holds in Jupiter funds and unit trusts. Under previous GAAP, the investments were stated at the lower of cost and net realisable value. Under FRS 101, they are classified as financial assets at fair value through profit or loss. At 31 December 2014 the fair value of the investments was greater than the lower of cost and net realisable value.
- (i) This adjustment relates to computer software. Under previous GAAP these assets were classified as tangible fixed assets, whereas under FRS 101 they are classified as intangible assets. There has been no change to the overall carrying value of the assets or the amortisation/depreciation charged to the income statement.
- (j) This adjustment recognises the deferred tax liabilities which arise when fair valuing investments.
- (k) There are two adjustments to deferred tax assets. The first increases the deferred tax assets relating to share based payments by £3.7m. The second re-classifies the previously recognised deferred tax assets of £3.3m as non-current rather than current, and has no effect on retained earnings.
- (l) This adjustment discloses the current income tax liability separately, whereas it was included within the creditors balance in the previously issued financial statements. This has no effect on net assets
- (m) This adjustment discloses non-current trade and other payables separately, whereas they were included within the creditors balance in the previously issued financial statements. This has no effect on net assets.
- (n) This adjustment is the aggregate effect of adjustments (i), (k) and (m) on retained earnings.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

26. RESTATED PRIOR PERIOD STATEMENT OF COMPREHENSIVE INCOME

The effect of adopting FRS 101 on the 2014 income statement and statement of comprehensive income is as follows:

	UK GAAP 2014	(a)	(b)	(c)	(d)	FRS 101 2014
	£m	£m	£m	£m	£m	£m
Revenue	184.8					184.8
Distribution costs	(4.3)					(4.3)
Administrative expenses	(136.6)				1.2	(135.4)
Operating profit	43.9	-	-	-	1.2	45.1
Amortisation of intangible assets	-				(1.2)	(1.2)
Other gains*	28.7					28.7
Gain/(loss) on disposal of investments*	1.0		(1.4)			(0.4)
Gain on derivatives*	-					-
Unrealised gain on financial assets at FVTPL*	-	0.7				0.7
Income from shares in Group undertaking	47.3					47.3
Finance income	0.3					0.3
Profit before taxation	121.2	0.7	(1.4)	-	-	120.5
Income tax expense	(8.9)			(4.9)		(13.8)
Profit for the year	112.3	0.7	(1.4)	(4.9)	-	106.7
Foreign exchange movements	-					-
Total other comprehensive income	112.3	0.7	(1.4)	(4.9)	-	106.7
Total comprehensive income for the year	112.3	0.7	(1.4)	(4.9)	-	106.7

(a) This adjustment relates to investments the Company holds in Jupiter funds and unit trusts. Under previous GAAP, the investments were stated at the lower of cost and net realisable value. Under FRS 101, they are classified as financial assets at fair value through profit or loss. At 31 December 2014 the fair value of the investments was greater than the lower of cost and net realisable value.

(b) This adjustment relates to realised losses made on financial assets held at fair value through profit or loss.

(c) This adjustment corresponds to the increase in the deferred tax liability during the period.

(d) This adjustment separately discloses the amortisation for the period in the income statement. As discussed in Note 24, computer software was classified as property, plant and equipment under previous GAAP, with the associated depreciation included within administrative expenses.

JUPITER ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

26. RESTATED PRIOR PERIOD STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

Foreign exchange movements on non-monetary items were omitted from the income statement in the prior period, but have been disclosed as a separate line in the statement of total comprehensive income in these financial statements.

*The line items 'Other gains', 'Gain/(loss) on disposal of investments', 'Gain on derivatives' and 'Unrealised gain on financial assets at FVTPL' have been combined as the single line 'Other gains' in the restated current year statement of comprehensive income on page 9.

27. OTHER DISCLOSURES

Please refer to www.jupiteram.com/en/Jupiter-Fund-Management-plc/Governance/Risk-management for Pillar 3 and Country by Country Disclosures.

The Company has complied with external capital requirements during the current and prior year.

28. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is Jupiter Investment Management Group Limited, a company incorporated in England and Wales.

The ultimate parent undertaking and controlling party is Jupiter Fund Management plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements.

Copies of the consolidated financial statements for Jupiter Fund Management plc can be obtained from the Company Secretary at The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ, which is also the registered office of the immediate and ultimate parent undertakings.