

# **Gordon Ramsay Holdings Limited**

Report and Financial Statements

Year Ended

31 August 2012

Company Number 03457208



# **Gordon Ramsay Holdings Limited**

**Report and financial statements  
for the year ended 31 August 2012**

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## **Directors**

G J Ramsay  
S Gillies

## **Registered office**

1 Catherine Place, London, SW1E 6DX

## **Company number**

03457208

## **Auditors**

BDO LLP, 55 Baker Street, London, W1U 7EU

# **Gordon Ramsay Holdings Limited**

## **Report of the directors for the year ended 31 August 2012**

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The directors present their report together with the audited financial statements for the year ended 31 August 2012

### **Results and dividends**

The profit and loss account is set out on page 6 and shows the loss for the year

### **Principal activities**

The principal activity of the company continued to be that of a holding company and providing restaurant consultancy services to the Group

### **Business review, future developments and key performance indicators**

The company has continued to support the operations of the Group throughout the year

The directors expect the trading environment to remaining challenging in the near future. The company will continue to focus on supporting the operations of the Group and will continue to review operations with a view of identifying efficiencies

The performance of the company is measured by the directors and the Executive Management team. The principal measure used to assess performance is operating profit, which the directors consider satisfactory for the year

### **Principal risks and uncertainties**

All businesses face risks and uncertainties as they conduct their operations. The directors and Executive Management team regularly identify, monitor and manage potential risks and uncertainties within the Group. The list below sets out what the directors considers to be the current principal risks and uncertainties, this list is not presumed to be exhaustive and is, by its very nature, subject to change

#### *Consumer demand*

Turnover is derived from the UK. The general health of the UK economy and its influence on consumer spending is important to the Group's success. A continued downturn in consumer confidence and spending would be a risk to the financial performance of the Group. The Group regularly monitors performance by site to identify any changes in demand quickly and takes appropriate measures where any such changes arise

# **Gordon Ramsay Holdings Limited**

## **Report of the directors for the year ended 31 August 2012 (*continued*)**

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### **Financial risk management**

#### *Liquidity risk*

The Group manages its exposure to liquidity risk through a naturally low level of third party debtors. The risk posed by liquidity has been considered and we are satisfied that there is sufficient growth and equity in the Group.

#### *Interest rate risk*

The Group does not have formal policies on interest rate risk as interest on loans bearing interest is fixed.

#### *Credit risk*

The Group has no significant concentrations of credit risk. The nature of the operations results in a large and diverse customer base and a significant proportion of cash sales. The Group has policies that limit the amount of credit exposure to any financial institution.

#### *Foreign currency risk*

The Group does not have formal policies on foreign currency risk. The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than pound sterling. The Group maintains a natural hedge that minimises the foreign exchange exposure by matching foreign currency income with foreign currency costs. The Group does not consider it necessary to enter into foreign exchange contracts in managing its foreign exchange risk resulting from cash flows from transactions denominated in foreign currency, given the nature of the business for the time being.

#### *Capital risk management*

The Group manages its capital to ensure that it will continue as a going concern whilst looking to maximise returns to shareholders. The capital structure of the company consists of equity (this being issued share capital and retained earnings), cash and cash equivalents. The Group monitors its capital structure on a regular basis through cash flow reporting and forecasting.

### **Indemnity of officers**

The Group may purchase and maintain, for any director or officer, insurance against any liability and the Group does maintain appropriate insurance cover against legal action brought against its directors and officers.

### **Employees**

The successful delivery of service to the Group's customers depends on recruiting, training, managing and retaining people of the highest quality. The Group is committed to the welfare of its staff and all employees are given opportunities and are encouraged to develop within the Group.

The Group is committed to the involvement of employees in the business. Staff are kept informed of the performance and objectives of the Group through newsletters, staff meetings and regular structured feedback sessions.

The Group is an equal opportunities employer. Its policy is to ensure that all employees are treated with the same respect and consideration regardless of sex, age, colour, disability, sexual orientation, nationality or ethnic or national origins.

### **Policy and practice on the payment of creditors**

The Group's policy is to agree all payment terms with suppliers as and when a trading relationship is established. The Group ensures that the terms of payment are clear and its policy is to abide by the agreed terms where possible provided the supplier meets its obligations.

# Gordon Ramsay Holdings Limited

## Report of the directors for the year ended 31 August 2012 (*continued*)

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### Directors

The directors of the company during the year were

G J Ramsay  
T James (Resigned 17 September 2012)  
S Gillies (Appointed 5 September 2011)  
C F Hutcheson (Resigned 31 January 2012)

### Directors' responsibilities

The directors are responsible for preparing the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

### On behalf of the board

S Gillies  
Director



30/5/13

# **Gordon Ramsay Holdings Limited**

## **Independent auditor's report**

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### **To the members of Gordon Ramsay Holdings Limited**

We have audited the financial statements of Gordon Ramsay Holdings Limited for the year ended 31 August 2012 which comprise the profit and loss account, the balance sheet and the related notes. 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 auditors**

As explained more fully in the statement of directors' responsibilities, 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 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 August 2012 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# Gordon Ramsay Holdings Limited

## Independent auditor's report (*continued*)

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### 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

*BDO LLP*

*David Campbell (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom*

*30/5/13*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

# Gordon Ramsay Holdings Limited

## Profit and loss account for the year ended 31 August 2012

	Note	2012 £	2011 £
Turnover	2	5,044,243	4,846,224
Cost of sales		26,773	56,082
<b>Gross profit</b>		<b>5,017,470</b>	<b>4,790,142</b>
Administrative expenses		5,928,547	19,931,416
<b>EBITDA*</b>		<b>25,675</b>	<b>(433,224)</b>
Reorganisation costs		-	(2,435,000)
Related party bad debts		(936,752)	(12,273,050)
<b>Operating loss</b>	<b>3</b>	<b>(911,077)</b>	<b>(15,141,274)</b>
Interest payable and similar charges	6	(119,942)	(231,847)
<b>Loss on ordinary activities before taxation</b>		<b>(1,031,019)</b>	<b>(15,373,121)</b>
Taxation on loss on ordinary activities	7	-	(10,000)
<b>Loss on ordinary activities after taxation</b>		<b>(1,031,019)</b>	<b>(15,383,121)</b>

All amounts relate to continuing activities

All recognised gains and losses in the current and prior year are included in the profit and loss account

\* EBITDA is earnings before interest, tax, depreciation, amortisation and exceptional items

The notes on pages 8 to 21 form part of these financial statements

# Gordon Ramsay Holdings Limited

## Balance sheet at 31 August 2012

<i>Company number 03457208</i>	<b>Note</b>	<b>2012 £</b>	<b>2012 £</b>	<b>2011 £</b>	<b>2011 £</b>
<b>Fixed assets</b>					
Intangible assets	8	-			24,600
Tangible assets	9	122,893			133,885
Fixed asset investments	10	485,602			485,602
			<u>608,495</u>		<u>644,087</u>
<b>Current assets</b>					
Stocks	11	115,219		155,816	
Debtors	12	12,052,247		12,244,735	
Cash at bank and in hand		45,494		173,822	
		<u>12,212,960</u>		<u>12,574,373</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>36,629,014</u>		<u>34,749,648</u>	
<b>Net current liabilities</b>			<u>(24,416,054)</u>		<u>(22,175,275)</u>
<b>Total assets less current liabilities</b>			<u>(23,807,559)</u>		<u>(21,531,188)</u>
<b>Creditors: amounts falling due after more than one year</b>	14		<u>934,275</u>		<u>2,179,627</u>
			<u>(24,741,834)</u>		<u>(23,710,815)</u>
<b>Capital and reserves</b>					
Called up share capital	16	102,632		102,632	
Share premium account	17	747,368		747,368	
Profit and loss account	17	(25,591,834)		(24,560,815)	
<b>Shareholders' deficit</b>	18		<u>(24,741,834)</u>		<u>(23,710,815)</u>

The financial statements were approved by the board of directors and authorised for issue on 30/5/13

S Gillies  
Director



The notes on pages 8 to 21 form part of these financial statements

# Gordon Ramsay Holdings Limited

## Notes forming part of the financial statements for the year ended 31 August 2012

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### 1 Accounting policies

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

The following principal accounting policies have been applied

#### *Going concern*

The financial statements have been prepared on a going concern basis, validity of which is dependent upon the continuing financial support of the parent undertaking which their directors have provided

#### *Consolidated financial statements*

The financial statements contain information about Gordon Ramsay Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in EEA group accounts of a larger group

#### *Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Kavalake Limited and the company is included in consolidated financial statements

#### *Turnover*

Turnover represents amounts receivable for management fees and licence fees net of value added tax and trade discounts. Turnover is recognised on an accruals basis

#### *Goodwill*

Goodwill is capitalised and classified as an intangible asset on the balance sheet. It arose on the acquisition of Gordon Ramsay (Royal Hospital Road) Limited and the directors have concluded that it should be amortised over its estimated useful economic life of 10 years

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. An asset's carrying value is written down to its estimated recoverable amount, being the higher of net selling price and value in use, if that is less than the asset's carrying amount

#### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates

Plant and machinery	- 15% straight line
Motor vehicles	- 25% straight line
Fixtures, fittings and equipment	- 15% straight line

#### *Valuation of investments*

Investments held as fixed assets are stated at cost less any provision for impairment. Investments held as current assets are stated at the lower of cost and net realisable value

# **Gordon Ramsay Holdings Limited**

**Notes forming part of the financial statements  
for the year ended 31 August 2012 (continued)**

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## **1 Accounting policies (continued)**

### *Stocks*

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional cost to completion and disposal.

### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

### *Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

### *Foreign currency*

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

### *Pension costs*

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

### *Reverse premium*

The aggregate value of incentives received on the signing of a lease are treated as a reduction in the rent charge and allocated over the term of the lease.

## **2 Turnover**

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (*continued*)

## 3 Operating loss

	2012 £	2011 £
This is arrived at after charging/(crediting)		
Depreciation of tangible fixed assets	36,878	27,649
Amortisation of positive goodwill	24,600	49,200
Hire of other assets - operating leases	346,518	350,880
Auditors' remuneration - fees payable to the company's current auditor for the audit of the company's annual accounts	49,500	35,000
Auditors' remuneration - fees payable to the company's previous auditor	-	65,275
Profit on foreign exchange transactions	8,108	(4,136)
	<u>          </u>	<u>          </u>

## 4 Employees

Staff costs (including directors) consist of

	2012 £	2011 £
Wages and salaries	2,525,470	2,757,673
Social security costs	300,113	261,128
Other pension costs	-	37,580
	<u>          </u>	<u>          </u>
	2,825,583	3,056,381
	<u>          </u>	<u>          </u>

The average number of employees (including directors) during the year was 62 (2011 - 80)

## 5 Directors' remuneration

No director received any emoluments during the current year (2011 - £Nil)

## 6 Interest payable and similar charges

	2012 £	2011 £
Bank loans and overdrafts	119,350	231,847
Finance leases and hire purchase contracts	592	-
	<u>          </u>	<u>          </u>
	119,942	231,847
	<u>          </u>	<u>          </u>

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (*continued*)

## 7 Taxation on loss on ordinary activities

	2012 £	2011 £
<i>UK Corporation tax</i>		
Current tax on profits of the year	-	10,000

The tax assessed for the year is higher than the standard rate of corporation tax in the UK applied to loss before tax. The differences are explained below

	2012 £	2011 £
Loss on ordinary activities before tax	(1,031,019)	(15,373,121)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 25 17% (2011 - 27 17%)	(253,181)	(4,176,877)
Effect of		
Expenses not deductible for tax purposes	323,990	3,375,408
Depreciation for period in excess of capital allowances	3,470	5,584
Utilisation of tax losses	(74,279)	-
Group relief	-	729,307
Losses not utilised in period	-	76,578
Current tax charge for the year	-	10,000

A deferred tax asset of £196,152 (2011 - £203,279) has not been recognised in respect of losses carried forward as there is insufficient evidence that the asset will be recovered

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (*continued*)

## 8 Intangible fixed assets

	Goodwill £
<i>Cost</i>	
At 1 September 2011 and 31 August 2012	492,000
	<hr/>
<i>Amortisation</i>	
At 1 September 2011	467,400
Provided for the year	24,600
	<hr/>
At 31 August 2012	492,000
	<hr/>
<i>Net book value</i>	
At 31 August 2012	-
	<hr/>
At 31 August 2011	24,600
	<hr/>

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (*continued*)

## 9 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
<i>Cost</i>				
At 1 September 2011	67,264	23,551	553,034	643,849
Additions	-	-	25,886	25,886
Disposals	-	(7,910)	-	(7,910)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2012	<b>67,264</b>	<b>15,641</b>	<b>578,920</b>	<b>661,825</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 September 2011	67,264	23,551	419,149	509,964
Provided for the year	-	-	36,878	36,878
Disposals	-	(7,910)	-	(7,910)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2012	<b>67,264</b>	<b>15,641</b>	<b>456,027</b>	<b>538,932</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 August 2012	-	-	122,893	122,893
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2011	-	-	133,885	133,885
	<hr/>	<hr/>	<hr/>	<hr/>

The net book value of tangible fixed assets includes an amount of £79,253 (2011 - £4,486) in respect of assets held under finance leases and hire purchase contracts. The related depreciation charge on these assets for the year was £20,531 (2011 - £57).

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (*continued*)

## 10 Fixed asset investments

	Share in group undertakings £
<i>Cost</i>	
At 1 September 2011 and 31 August 2012	573,141
	<hr/>
<i>Provisions</i>	
At 1 September 2011 and 31 August 2012	87,539
	<hr/>
<i>Net book value</i>	
At 31 August 2011 and 31 August 2012	485,602
	<hr/>

In the opinion of the directors, the aggregate value of the company's investments in subsidiary undertakings is not less than the amount included in the balance sheet

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (continued)

## 10 Fixed asset investments (continued)

*Subsidiary undertakings, associated undertakings and other investments*

The principal undertakings in which the company's interest at the year end is 20% or more are as follows

	Country of incorporation or registration	Class of share capital held	Proportion of share capital held	Nature of business
Gordon Ramsay at the Savoy Grill Limited*	United Kingdom	Ordinary	100%	Not trading
Gordon Ramsay (No 3) Limited*	United Kingdom	Ordinary	100%	Not trading
Gordon Ramsay (Royal Hospital Road) Limited	United Kingdom	Ordinary	100%	Operating a restaurant
Gordon Ramsay (St James's) Limited	United Kingdom	Ordinary	90%	Not trading
Gordon Ramsay (No 1) Limited	United Kingdom	Ordinary	100%	Not trading
Gordon Ramsay at Claridge's Limited	United Kingdom	Ordinary	100%	Operating a restaurant
Gordon Ramsay at the Connaught Limited	United Kingdom	Ordinary	100%	Not trading
Gordon Ramsay at the Berkeley Limited	United Kingdom	Ordinary	95%	Not trading
Artichoke Consultancy Limited	United Kingdom	Ordinary	100%	Holding company
Gordon Ramsay (Narrow Street) Limited	United Kingdom	Ordinary	85%	Operating a restaurant
Gordon Ramsay (Maze) Limited	United Kingdom	Ordinary	90%	Operating a restaurant
La Noisette Restaurant Limited	United Kingdom	Ordinary	100%	Not trading
Petrus (Kinnerton Street) Limited	United Kingdom	Ordinary	100%	Operating a restaurant

Investments in Group undertakings are stated at cost as permitted by section 615 of the Companies Act 2006, where relief afforded under section 612 of the Companies Act 2006 applies, cost is the aggregate of the nominal value of the relevant number of the company's shares and the fair value of any other consideration given to acquire the share capital of the subsidiary undertakings. The directors consider that to give full particulars of all subsidiaries would lead to a statement of excessive length.

\* Indirectly held

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (*continued*)

## 11 Stocks

	2012 £	2011 £
Finished goods and goods for resale	115,219	155,816

There is no material difference between the replacement cost of stocks and the amounts stated above

## 12 Debtors

	2012 £	2011 £
Trade debtors	171,186	48,712
Amounts owed by group undertakings	11,212,450	11,163,171
Corporation tax recoverable	1,875	-
Other debtors	480,905	810,066
Prepayments and accrued income	185,831	222,786
	<u>12,052,247</u>	<u>12,244,735</u>

All amounts shown under debtors fall due for payment within one year

## 13 Creditors: amounts falling due within one year

	2012 £	2011 £
Bank loans and overdrafts (secured)	2,185,672	1,451,240
Trade creditors	1,546,150	1,694,491
Amounts owed to group undertakings	22,127,686	21,316,163
Taxation and social security	347,115	119,329
Obligations under finance lease and hire purchase contracts	1,638	1,391
Directors' current accounts	10,219,885	9,236,660
Other creditors	8,469	168,974
Accruals and deferred income	192,399	761,400
	<u>36,629,014</u>	<u>34,749,648</u>

The bank loan and overdraft is secured on a Group basis and personal guarantees of the directors (see note 20)

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (*continued*)

## 14 Creditors: amounts falling due after more than one year

	2012 £	2011 £
Bank loans (secured)	932,880	2,176,800
Obligations under finance lease and hire purchase contracts	1,395	2,827
	<u>934,275</u>	<u>2,179,627</u>

### Maturity of debt

	Loans and overdrafts 2012 £	Loans and overdrafts 2011 £	Finance leases 2012 £	Finance leases 2011 £
In one year or less, or on demand	<u>2,185,672</u>	<u>1,451,240</u>	<u>1,638</u>	<u>1,391</u>
In more than one year but not more than two years	<u>932,880</u>	<u>2,176,800</u>	<u>1,395</u>	<u>2,827</u>

The bank loan and overdraft is secured on a Group basis and personal guarantees of the directors (see note 20)

## 15 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £Nil (2011 - £37,580)

## 16 Share capital

	2012 £	2011 £
<i>Allotted, called up and fully paid</i>		
102,632 Ordinary shares of £1 each	<u>102,632</u>	<u>102,632</u>

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (*continued*)

## 17 Reserves

	Share premium account £	Profit and loss account £
At 1 September 2011	747,368	(24,560,815)
Loss for the year	-	(1,031,019)
	<hr/>	<hr/>
At 31 August 2012	<b>747,368</b>	<b>(25,591,834)</b>
	<hr/>	<hr/>

## 18 Reconciliation of movements in shareholders' deficit

	2012 £	2011 £
Loss for the year	(1,031,019)	(15,383,121)
Opening shareholders' deficit	(23,710,815)	(8,327,694)
	<hr/>	<hr/>
Closing shareholders' deficit	<b>(24,741,834)</b>	<b>(23,710,815)</b>
	<hr/>	<hr/>

## 19 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2012 £	Land and buildings 2011 £
Operating leases which expire		
Within one year	5,573	-
In two to five years	147,500	16,720
After five years	185,000	332,500
	<hr/>	<hr/>
	<b>338,073</b>	<b>349,220</b>
	<hr/>	<hr/>

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (continued)

## 20 Financial commitments

A Group loan facility is secured by a debenture over the present and future assets of the company and its subsidiaries and personal guarantees from the directors (see note 22). The loan is repayable over 52 months, commencing February 2010 and interest is chargeable at 3.25% per annum above LIBOR. As at 31 August 2012 the maximum liability was £2,176,800 (2011 - £3,718,000).

## 21 Transactions with directors

The following directors had loans (from)/to the company during the year. The movement on these loans (included within creditors and other debtors) are as follows:

	As at 1 September 2011	Repayments in year	Advances in year	As at 31 August 2012	Maximum debit balance in year
G J Ramsay	(9,236,660)	2,253,708	(3,236,933)	(10,219,885)	-
C F Hutcheson	347,038	(347,038)	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

The loans are interest free with no fixed repayment date.

## 22 Related party disclosures

G J Ramsay is a director and therefore a related party. As at 31 August 2012, G J Ramsay had given personal guarantees totalling £2,176,800 (2011 - £3,500,000) in respect of the Group banking facility.

During the year C F Hutcheson was a director and had given personal guarantees totalling £Nil (2011 - £1,500,000) in respect of the Group banking facility.

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (continued)

## 22 Related party disclosures (continued)

The below entities are considered related parties as they share common directors with the company. The following amounts were due from/(owed to) the below related parties at the balance sheet date as a result of management and trading activities.

### Related party transactions and balances

	Management charges to/(from) related party	Amount due to/(from) related party	Non recoverable amount provided for
<b>2012</b>			
Gordon Ramsay at the Connaught Limited	-	380,040	-
Gordon Ramsay at the Berkeley Limited	-	629,524	-
Gordon Ramsay (Narrow Street) Limited	214,137	113,798	-
Gordon Ramsay (Maze) Limited	810,999	2,026,959	-
Gordon Ramsay (St James's) Limited	-	328,636	-
Gordon Ramsay Plane Food Limited	413,742	7,546	-
Warrington Hotel Limited	-	-	273,350
Gordon Ramsay Pubs Limited	-	-	-
Foxtrot Oscar Limited	69,661	(1,068,536)	-
Gordon Ramsay (York and Albany) Limited	275,209	-	615,796
Gordon Ramsay (Devonshire) Limited	-	(7,814)	-
G R Logistics Limited	(25,000)	(11,730)	-
Gordon Ramsay Holdings International Limited	-	(7,328,319)	-
Petrus (Kinnerton Street) Limited	286,478	(1,421,365)	-
Gordon Ramsay (No 2) Limited	660,032	(422,578)	-
Gordon Ramsay (One New Change) Limited	488,587	(958,352)	-
Gordon Ramsay Melbourne Pty Limited	-	-	-
Foxtrot Oscar Holdings Limited	-	-	45,998
Artichoke Consultancy Limited	-	(13,814)	-
Gordon Ramsay (No 1) Limited	-	(1,608)	1,608
La Noisette Restaurant Limited	-	-	-
Gordon Ramsay (Royal Hospital Road) Limited	329,881	3,815,534	-
Gordon Ramsay at Claridge's Limited	627,280	11,880,349	-
Gordon Ramsay (No 3) Limited	-	1,542,966	-
Gordon Ramsay Savoy Grill Limited	-	1,398,961	-
Union Street Cafe Limited	-	-	-
Tante Marie Limited	25,000	(5,089)	-

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2012 (continued)

## 22 Related party disclosures (continued)

Related party transactions and balances (continued)

	Management charges to/(from) related party	Amount due to/(from) related party	Non recoverable amount provided for
<b>2011</b>			
Gordon Ramsay at the Connaught Limited	-	(380,040)	-
Gordon Ramsay at the Berkeley Limited	-	(644,983)	-
Gordon Ramsay (Narrow Street) Limited	201,493	(116,692)	-
Gordon Ramsay (Maze) Limited	901,874	(1,986,405)	-
Gordon Ramsay (St James's) Limited	-	(328,636)	-
Gordon Ramsay Plane Food Limited	380,034	104,209	-
Warrington Hotel Limited	-	-	563,716
Gordon Ramsay Pubs Limited	-	-	1,166,772
Foxtrot Oscar Limited	74,314	996,970	-
Gordon Ramsay (York and Albany) Limited	331,738	-	3,677,971
Gordon Ramsay (Devonshire) Limited	-	-	831,152
G R Logistics Limited	-	-	1,052,707
Gordon Ramsay Holdings International Limited	-	7,483,519	-
Petrus (Kinnerton Street) Limited	249,951	1,747,513	-
Gordon Ramsay (No 2) Limited	526,635	264,964	-
Gordon Ramsay (One New Change) Limited	-	513,274	-
Gordon Ramsay Melbourne Pty Limited	-	-	1,121,244
Foxtrot Oscar Holdings Limited	-	5,998	-
Artichoke Consultancy Limited	-	13,813	-
Gordon Ramsay ( No 1) Limited	-	1,608	-
La Noisette Restaurant Limited	-	-	3,859,488
Gordon Ramsay (Royal Hospital Road ) Limited	326,159	(3,466,765)	-
Gordon Ramsay at Claridge's Limited	705,468	(11,445,306)	-
Gordon Ramsay (No 3) Limited	-	(1,542,966)	-
Gordon Ramsay Savoy Grill Limited	-	(1,398,961)	-
Union Street Cafe Limited	-	1,000	-
Tante Marie Limited	25,000	(7,500)	-

## 23 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary of Kavalake Limited which is the ultimate parent company incorporated in United Kingdom

The largest and smallest group in which the results of the company are consolidated is that headed by Kavalake Limited, incorporated in United Kingdom. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. No other group accounts include the results of the company.

The Company's ultimate controlling party is G J Ramsay

## **Gordon Ramsay Holdings Limited**

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The pages which follow do not  
form part of the statutory  
financial statements of the company

# Gordon Ramsay Holdings Limited

## Detailed profit and loss account for the year ended 31 August 2012

	Page	2012 £	2011 £
<b>Turnover</b>		<b>5,044,243</b>	4,846,224
Cost of sales	24	<u>26,773</u>	<u>56,082</u>
<b>Gross profit</b>		<b>5,017,470</b>	4,790,142
Administrative expenses	24-25	<u>5,928,547</u>	<u>19,931,416</u>
<b>Operating loss</b>		<b>(911,077)</b>	(15,141,274)
Interest payable and similar charges	25	<u>(119,942)</u>	<u>(231,847)</u>
<b>Loss on ordinary activities</b>		<b><u>(1,031,019)</u></b>	<b><u>(15,373,121)</u></b>

# Gordon Ramsay Holdings Limited

## Detailed profit and loss account for the year ended 31 August 2012 (*continued*)

### Cost of sales

	2012 £	2011 £
Opening stocks	155,816	163,109
Purchases	(13,824)	48,789
Closing stocks	(115,219)	(155,816)
	<u>26,773</u>	<u>56,082</u>

### Administrative expenses

	2012 £	2011 £
<i>Administrative expenses</i>		
Staff salaries	2,525,470	2,757,673
Employers national insurance	300,113	261,128
Staff pensions	(14,726)	37,580
Profit on disposal of fixed assets	(1,083)	-
Auditors remuneration	49,500	100,275
Legal and professional fees	616,362	2,312,330
Advertising	229,629	188,219
Bank charges	73,723	158,090
Consultancy fees	118,271	453,668
Printing, postage and stationery	73,586	108,679
Telephone	65,699	56,084
Travel	81,734	143,157
Sundry expenses	(77,094)	22,739
Staff welfare	22,100	26,049
Staff training	5,652	7,609
Penalties	880	6,411
Computer costs	94,525	139,407
Recruitment costs	45,653	37,029
Bad debts	911,802	12,270,679
Donations	(90)	1,257
Subscriptions	8,503	4,926
Entertaining	28,540	17,325
Exchange rate variance	8,108	(4,136)
Amortisation	24,600	49,200
Depreciation	36,878	27,649
	<u>5,228,335</u>	<u>19,183,027</u>

# Gordon Ramsay Holdings Limited

## Detailed profit and loss account for the year ended 31 August 2012 (*continued*)

### Administrative expenses (*continued*)

	2012 £	2011 £
<i>Establishment expenses</i>		
Rent	346,518	350,880
Rates	155,043	81,865
Light and heat	12,979	24,923
Insurances	88,479	85,827
Repairs and maintenance	28,270	36,981
Cleaning	30,934	35,305
Hire of equipment	7,979	1,721
Holding company charges	25,000	125,000
Waste	2,617	5,487
Flowers	2,393	400
	<hr/>	<hr/>
	700,212	748,389
	<hr/>	<hr/>
	5,928,547	19,931,416
	<hr/>	<hr/>

### Interest payable and similar charges

	2012 £	2011 £
Bank interest payable	119,350	231,847
Interest payable on HP & finance leases	592	-
	<hr/>	<hr/>
	119,942	231,847
	<hr/>	<hr/>