

# **Gordon Ramsay Holdings Limited**

Report and Financial Statements

Year Ended

31 August 2014

Company Number 03457208

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# **Gordon Ramsay Holdings Limited**

## **Report and financial statements for the year ended 31 August 2014**

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### **Directors**

G J Ramsay  
S Gillies  
G Eades

### **Registered office**

539-547 Wandsworth Road, London, SW8 3JD

### **Company number**

03457208

### **Auditors**

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

# **Gordon Ramsay Holdings Limited**

## **Strategic report for the year ended 31 August 2014**

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The directors present their strategic report together with the audited financial statements for the year ended 31 August 2014.

### **Principal activities**

Gordon Ramsay Holdings Limited is a holding company that offers management and operational support to the restaurants within the Kavalake Limited (the "Group") and consultancy services to the overseas restaurants in various locations around the world.

### **Review of the business**

The turnover for the company is £6.8m (PY: £6.9m). Although revenue was flat year on year, revenue generated from international operations has increased to £2.0m (PY: £1.5m) which reflects the strong trading in Vegas and the first full year of GR Pub trading.

Adjusted EBITDA<sup>(1)</sup> was £1.2m (PY: £1.0m). This increased mainly due to the reduction in legal expenses during the financial year. Operating Loss has increased to £5.1m (PY: loss of £0.6m), which in the current year includes the cost of the share based remuneration for a director in the period of £2.7m.

### **Financing**

At the year end the Directors loan account increased to £12.6m (PY: £11.7m) where the cash injection was to help fund part of the development of Heddon Street Kitchen and Eleven Park Walk which are subsidiaries within the company.

### **Future Developments**

#### **UK**

The company will continue to focus on supporting the operations of the Group and will continue to review the operations with a view of identifying efficiencies.

#### **International**

The licence agreement for Bread Street Kitchen in Hong Kong was signed in March 2014 and the restaurant opened in September 2014.

Licence agreements have also been signed for Pub and Grill in Atlantic City, Bread Street Kitchen in Singapore and The Atlantis in Dubai with another 3 new sites under negotiation.

(1) Adjusted EBITDA is earnings before interest, tax, share-based payments, depreciation, amortisation and other exceptional items.

# Gordon Ramsay Holdings Limited

## Strategic report for the year ended 31 August 2014 (continued)

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### Key performance indicators

The performance of the company is measured by the directors and the Executive Management team.

In line with our operating objectives, we use both financial and non-financial KPI's. Dependant on the scale and size of our operations means we use various performance measures in addition to KPI's.

KPI's are used to measure our primary objectives of the business and the performance of the restaurants which helps to add value for our shareholders.

KPI's used to measure performance include turnover, gross profit and Adjusted EBITDA.

Profit and Loss Summary	2014	2013
	£m	£m
Turnover	6.8	6.7
Gross Profit	6.7	6.7
Adjusted EBITDA	1.2	1.0

### Principal risks and uncertainties

This variety of concepts and choice of locations throughout London minimises any risk dependency on one brand or economic area of the Capital, while the growth in family and casual dining market is recognised by both the Group's Grill and Kitchen concepts.

Like any consumer facing business, the general economic climate and pressures on consumer spending could have an adverse impact on the business. However, the London market has continued to trade very strongly throughout the recession, and we are confident that as economic growth returns this will be reflected in an increase in the strength of consumer spending.

### Capital risk management

The company 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, share premium and retained earnings), cash and cash equivalents. The company monitors its capital structure on a regular basis through cash flow reporting and forecasting.

### Foreign exchange risk

The company is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than pound sterling (£). The Company maintains a natural hedge that minimises the foreign exchange exposure by matching foreign currency income with foreign currency costs. Given that the majority of the company's transactions remain Sterling denominated, the Company does not consider it necessary to enter into foreign exchange contracts in managing its foreign exchange risk for the time being.

### Interest rate risk

Company does not have formal policies on interest rate risk but monitors interest rates and the risk to the business on a regular basis.

### Credit risk

The Company has no significant concentrations of credit risk. The nature of the operations means that the company only provides credit to Group companies and related parties which are not considered significant credit risks.

# Gordon Ramsay Holdings Limited

Strategic report  
for the year ended 31 August 2014 (*continued*)

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## Principal risks and uncertainties (*continued*)

### Supplier payment policy

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

### Employees

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

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

The Company 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.

Management facilitates the employment of disabled persons whenever a suitable vacancy arises. Continued employment and re-training of employees who become disabled whilst employed within the company. The company provides career development, training and promotion of disabled employees with a view to encouraging them to play an active role in the development of the company.

On behalf of the board



S Gillies  
Director

30/04/2015

# **Gordon Ramsay Holdings Limited**

## **Report of the directors for the year ended 31 August 2014**

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The directors present their report together with the audited financial statements for the year ended 31 August 2014.

### **Results and dividends**

The profit and loss account is set out on page 8 and shows the loss for the year.

### **Directors**

The directors of the company during the year were:

G J Ramsay  
S Gillies  
G Eades

### **Directors' responsibilities**

The directors are responsible for preparing the strategic report, 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.

# Gordon Ramsay Holdings Limited

## Report of the directors for the year ended 31 August 2014 (*continued*)

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### 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

30/04/2015

# **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 2014 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 Financial Reporting Council's (FRC'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 FRC'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 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



# Gordon Ramsay Holdings Limited

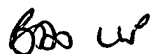
## Independent auditor's report (*continued*)

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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.



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

1 May 2015

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 2014

	Note	2014 £	2013 £
<b>Turnover</b>	3	<b>6,772,154</b>	6,868,924
Cost of sales		<b>24,442</b>	97,272
<b>Gross profit</b>		<b>6,747,712</b>	6,771,652
Administrative expenses		<b>11,886,061</b>	7,406,376
<b>Adjusted EBITDA*</b>		<b>1,224,913</b>	1,031,986
Share based payments	24	<b>(2,671,504)</b>	-
Depreciation	4	<b>(46,079)</b>	(32,597)
Other exceptional items	2	<b>(3,645,679)</b>	(1,634,113)
<b>Operating loss</b>	4	<b>(5,138,349)</b>	(634,724)
Interest payable and similar charges	7	<b>(726)</b>	(49,151)
<b>Loss on ordinary activities before taxation</b>		<b>(5,139,075)</b>	(683,875)
Taxation on loss on ordinary activities	8	<b>(60,220)</b>	-
<b>Loss on ordinary activities after taxation</b>	18	<b>(5,199,295)</b>	(683,875)

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.

\* Adjusted EBITDA is earnings before interest, tax, share-based payments, depreciation, amortisation and other exceptional items.

The notes on pages 10 to 23 form part of these financial statements.

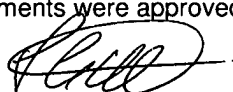
# Gordon Ramsay Holdings Limited

## Balance sheet at 31 August 2014

<i>Company number 03457208</i>	Note	2014 £	2014 £	2013 £	2013 £
<b>Fixed assets</b>					
Tangible assets	9		380,759		90,296
Fixed asset investments	10		485,602		485,602
			866,361		575,898
<b>Current assets</b>					
Stocks	11	250,502		148,614	
Debtors - due within one year	12	13,258,500		14,655,974	
Debtors - due after more than one year	12	303,700		303,700	
		13,562,200		14,959,674	
Total debtors					
Cash at bank and in hand		1,446,625		92,687	
		15,259,327		15,200,975	
<b>Creditors: amounts falling due within one year</b>	13	43,580,720		41,202,582	
<b>Net current liabilities</b>			(28,321,393)		(26,001,607)
<b>Total assets less current liabilities</b>			(27,455,032)		(25,425,709)
<b>Provisions for liabilities</b>	14		498,468		-
			(27,953,500)		(25,425,709)
<b>Capital and reserves</b>					
Called up share capital	16		102,632		102,632
Share premium account	17		747,368		747,368
Capital contribution reserve	17		2,671,504		-
Profit and loss account	17		(31,475,004)		(26,275,709)
<b>Shareholders' deficit</b>	18		(27,953,500)		(25,425,709)

The financial statements were approved by the board of directors and authorised for issue on 30/04/2015

S Gillies  
Director



The notes on pages 10 to 23 form part of these financial statements.

# Gordon Ramsay Holdings Limited

## Notes forming part of the financial statements for the year ended 31 August 2014

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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. Turnover is recognised on an accruals basis.

#### *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:

Fixtures, fittings and equipment	- 15% straight line
Leasehold land and buildings	- Straight line over lease period

#### *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.

#### *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.

# Gordon Ramsay Holdings Limited

## Notes forming part of the financial statements for the year ended 31 August 2014 (*continued*)

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### 1 Accounting policies (*continued*)

#### *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.

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (continued)

## 2 Exceptional item

	2014 £	2013 £
Intercompany provision	2,444,089	-
Onerous lease provision (note 14)	498,468	-
Legal and compliance costs	703,122	1,634,113
	<u>3,645,679</u>	<u>1,634,113</u>

## 3 Turnover

	2014 £	2013 £
Analysis by geographical market:		
United Kingdom	4,733,069	5,397,458
Rest of the world	2,039,085	1,471,466
	<u>6,772,154</u>	<u>6,868,924</u>

Turnover is wholly attributable to the principal activity of the company.

## 4 Operating loss

	2014 £	2013 £
This is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	46,079	32,597
Hire of other assets - operating leases	338,879	350,027
Auditors' remuneration	6,000	6,000
Fees payable to the company's auditor for other services:		
Fees payable to the company's auditor for the audit of the company's subsidiaries	6,000	6,000
- taxation compliance services	107,000	95,000
- all other services	37,500	90,000
Exchange differences	(9,451)	(592)
Share-based payment (see note 24)	2,671,504	-
	<u>2,671,504</u>	<u>-</u>

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (continued)

## 5 Employees

Staff costs (including directors) consist of:

	2014 £	2013 £
Wages and salaries	2,421,610	2,372,454
Social security costs	295,804	266,015
Other pension costs	47,471	33,601
	<u>2,764,885</u>	<u>2,672,070</u>

The average number of employees (including directors) during the year was 50 (2013 - 47).

## 6 Directors' remuneration

	2014 £	2013 £
Directors' emoluments	359,549	358,268
Company contributions to money purchase pension schemes	-	2,000
	<u></u>	<u></u>

There were no directors in the company's defined contribution pension scheme during the year (2013 - 1).

The total amount payable to the highest paid director in respect of emoluments was £319,549 (2013 - £336,603). Company pension contributions of £Nil (2013 - £Nil) were made to a money purchase scheme on their behalf.

## 7 Interest payable and similar charges

	2014 £	2013 £
Bank loans and overdrafts	675	48,934
Finance leases and hire purchase contracts	51	217
	<u>726</u>	<u>49,151</u>

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (*continued*)

## 8 Taxation on loss on ordinary activities

	2014 £	2013 £
<i>UK Corporation tax</i>		
Current tax on profits of the year	60,220	-
	<hr/>	<hr/>
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:		
	2014 £	2013 £
Loss on ordinary activities before tax	(5,139,075)	(683,875)
	<hr/>	<hr/>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 22.16% (2013 - 23.58%)	(1,138,819)	(161,258)
Effect of:		
Expenses not deductible for tax purposes	1,343,086	392,637
Capital allowances for period in (excess)/deficit of depreciation	(13,553)	9,543
Group relief	(104,072)	(240,922)
Other movements	(26,422)	-
	<hr/>	<hr/>
Current tax charge for the year	60,220	-
	<hr/>	<hr/>



# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (*continued*)

## 9 Tangible fixed assets

	Leasehold land and buildings £	Fixtures, fittings and equipment £	Total £
<i>Cost</i>			
At 1 September 2013	-	578,920	578,920
Additions	19,546	316,996	336,542
	<hr/>	<hr/>	<hr/>
At 31 August 2014	<b>19,546</b>	<b>895,916</b>	<b>915,462</b>
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 September 2013	-	488,624	488,624
Provided for the year	664	45,415	46,079
	<hr/>	<hr/>	<hr/>
At 31 August 2014	<b>664</b>	<b>534,039</b>	<b>534,703</b>
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 August 2014	<b>18,882</b>	<b>361,877</b>	<b>380,759</b>
	<hr/>	<hr/>	<hr/>
At 31 August 2013	-	90,296	90,296
	<hr/>	<hr/>	<hr/>

The net book value of tangible fixed assets includes an amount of £39,822 (2013 - £58,722) in respect of assets held under finance leases and hire purchase contracts.

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (continued)

## 10 Fixed asset investments

	Share in group undertakings £
<i>Cost</i>	
At 1 September 2013 and 31 August 2014	573,141
<i>Provisions</i>	
At 1 September 2013 and 31 August 2014	87,539
<i>Net book value</i>	
At 31 August 2013 and 31 August 2014	485,602

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.

### *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
London House Operating Company Limited (formerly 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	100	% 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	100	% 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

# Gordon Ramsay Holdings Limited

## Notes forming part of the financial statements for the year ended 31 August 2014 (continued)

### 10 Fixed asset investments (continued)

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

### 11 Stocks

	2014 £	2013 £
Finished goods and goods for resale	250,502	148,614

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

### 12 Debtors

	2014 £	2013 £
Amounts receivable within one year		
Trade debtors	76,964	34,849
Amounts owed by group undertakings	12,515,163	13,930,910
Amounts owed by related companies	66,126	-
Directors' loan accounts	51,632	31,632
Corporation tax recoverable	17,424	1,875
Other debtors	107,861	136,879
Prepayments and accrued income	423,330	519,829
	13,258,500	14,655,974
Amounts receivable after more than one year		
Other debtors	303,700	303,700
Total debtors	13,562,200	14,959,674

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (*continued*)

## 13 Creditors: amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts (secured)	-	1,521,691
Trade creditors	1,299,643	730,278
Amounts owed to group undertakings	28,370,658	25,761,763
Amounts owed to associated undertakings	23,824	21,390
Other taxation and social security	442,740	95,040
Obligations under finance lease and hire purchase contracts	-	1,395
Directors current accounts	12,585,561	11,749,474
Other creditors	191,281	22,088
Accruals and deferred income	667,013	1,299,463
	<b>43,580,720</b>	<b>41,202,582</b>

The bank loan and overdraft is secured on a Group basis and personal guarantees of the directors (see note 22).

## 14 Provisions for liabilities

	Onerous lease £
Charged to the profit and loss account and at 31 August 2014	<b>498,468</b>

The onerous lease provision relates to the lease of excess office space at Catherine Place. The directors have therefore provided for the expected future costs of this onerous lease as required.

## 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 £47,471 (2013 - £33,601).

## 16 Share capital

	2014 £	2013 £
<i>Allotted, called up and fully paid</i>		
102,632 Ordinary shares of £1 each	<b>102,632</b>	<b>102,632</b>

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (*continued*)

## 17 Reserves

	Share premium account £	Capital contribution reserve £	Profit and loss account £
At 1 September 2013	747,368	-	(26,275,709)
Loss for the year	-	-	(5,199,295)
Other movements	-	2,671,504	-
	<u>747,368</u>	<u>2,671,504</u>	<u>(31,475,004)</u>
At 31 August 2014	<u>747,368</u>	<u>2,671,504</u>	<u>(31,475,004)</u>

The capital contribution reserve relates to share options issued by the company's parent company, Kavalake Limited, in relation to services provided by a director to Gordon Ramsay Holdings Limited (see note 24).

## 18 Reconciliation of movements in shareholders' deficit

	2014 £	2013 £
Loss for the year	(5,199,295)	(683,875)
Other net recognised gains and losses relating to the year	<u>2,671,504</u>	<u>-</u>
Net deductions from shareholders' deficit	(2,527,791)	(683,875)
Opening shareholders' deficit	<u>(25,425,709)</u>	<u>(24,741,834)</u>
Closing shareholders' deficit	<u>(27,953,500)</u>	<u>(25,425,709)</u>

## 19 Commitments under operating leases

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

	Land and buildings 2014 £	Land and buildings 2013 £
Operating leases which expire:		
In two to five years	<u>294,500</u>	<u>332,500</u>

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (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 July 2013 and interest is chargeable at 5.28% per annum above LIBOR. As at 31 August 2014 the maximum facility was £5,000,000 (2013 - £5,000,000).

## 21 Directors loan accounts

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 2013	Advances in year	As at 31 August 2014	Maximum debit balance in year
G J Ramsay	(11,749,474)	(836,267)	(12,585,741)	-
S Gillies	31,632	20,000	51,632	51,632
	<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 2014, G J Ramsay had given personal guarantees totalling £5,000,000 (2013 - £5,000,000) in respect of the Group banking facility.

Details of directors loan accounts are shown in note 21.

The following 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:

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (continued)

## 22 Related party disclosures (continued)

### Related party transactions and balances

	Management charges (to)/from related party	Amount due (to)/from related party	Non recoverable amount provided for
<b>2014</b>			
Gordon Ramsay at the Connaught Limited	-	(380,040)	-
Gordon Ramsay at the Berkeley Limited	-	(629,457)	-
Gordon Ramsay (Narrow Street) Limited	195,788	304,398	-
Gordon Ramsay (Maze) Limited	928,272	(2,852,678)	-
Gordon Ramsay (St James's) Limited	-	(328,636)	-
Gordon Ramsay Plane Food Limited	490,261	(1,363,166)	-
London House Restaurants Limited	-	-	-
Foxtrot Oscar Limited	62,925	-	(1,313,207)
Gordon Ramsay (York and Albany) Limited	262,059	-	(1,121,374)
London House Restaurants Limited (formerly Gordon Ramsay (Devonshire) Limited)	-	-	-
G R Logistics Limited	-	721,067	(9,508)
Gordon Ramsay Holdings International Limited	-	6,886,278	-
Petrus (Kinnerton Street) Limited	292,807	1,173,962	-
Gordon Ramsay (No 2) Limited	687,048	(601,277)	-
Gordon Ramsay (One New Change) Limited	553,977	1,467,071	-
Foxtrot Oscar Holdings Limited	-	-	-
Artichoke Consultancy Limited	-	13,814	-
Gordon Ramsay ( No 1) Limited	86,462	651,140	-
Gordon Ramsay (Royal Hospital Road ) Limited	358,230	(4,734,681)	-
Gordon Ramsay at Claridge's Limited	-	(11,836,260)	-
London House Operating Company Limited (formerly Gordon Ramsay (No 3) Limited)	-	(1,529,966)	-
Gordon Ramsay at the Savoy Grill Limited	-	(1,398,961)	-
Tante Marie Limited	-	(18,890)	-
Union Street Cafe Limited	206,492	1,041,073	-
Kavalake Limited	-	(2,459,176)	-

# Gordon Ramsay Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 August 2014 (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>2013</b>			
Gordon Ramsay at the Connaught Limited	-	380,040	-
Gordon Ramsay at the Berkeley Limited	-	628,979	-
Gordon Ramsay (Narrow Street) Limited	231,519	(73,900)	-
Gordon Ramsay (Maze) Limited	865,606	1,913,130	-
Gordon Ramsay (St James's) Limited	-	328,636	-
Gordon Ramsay Plane Food Limited	416,945	307,136	-
London House Restaurants Limited	-	-	-
Foxtrot Oscar Limited	59,587	(1,205,214)	-
Gordon Ramsay (York and Albany) Limited	263,548	(770,825)	-
London House Restaurants Limited (formerly Gordon Ramsay (Devonshire) Limited)	-	(9,508)	-
G R Logistics Limited	-	(258,425)	-
Gordon Ramsay Holdings International Limited	-	(7,167,384)	-
Petrus (Kinnerton Street) Limited	288,126	(1,562,074)	-
Gordon Ramsay (No 2) Limited	656,420	(617,320)	-
Gordon Ramsay (One New Change) Limited	543,298	(1,748,468)	-
Foxtrot Oscar Holdings Limited	-	-	-
Artichoke Consultancy Limited	-	(13,814)	-
Gordon Ramsay (No 1) Limited	-	(95,781)	-
Gordon Ramsay (Royal Hospital Road) Limited	301,334	3,637,465	-
Gordon Ramsay at Claridge's Limited	524,581	12,528,056	-
London House Operating Company Limited (formerly Gordon Ramsay (No 3) Limited)	-	1,529,966	-
Gordon Ramsay at the Savoy Grill Limited	-	1,398,961	-
Tante Marie Limited	-	21,390	-
Union Street Cafe Limited	-	(407,751)	-
Kavalake Limited	-	3,115,705	-

## 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

Notes forming part of the financial statements  
for the year ended 31 August 2014 (continued)

## 24 Share-based payments

Kavalake Limited, Gordon Ramsay Holdings Limited's parent company, has issued equity-settled share based remuneration for a director in the period. The options are in relation to the director providing services to Gordon Ramsay Holdings Limited and so the charge is recognised in this company via a capital contribution from the parent company. Half of the options vested at the date of grant (1 January 2014) and for the other half the only practical vesting condition is that the individual remains an employee of the group over the five year vesting period.

	2014 Weighted average exercise price (pence)	2014 Number
Outstanding at the beginning of the year	-	-
Granted during the year	1	23,000
	<hr/>	<hr/>
Outstanding at the end of the year	-	23,000
	<hr/>	<hr/>

The exercise price of options outstanding at the end of the year were all 1p and their weighted average contractual life was 2.5 years.

Of the total number of options outstanding at the end of the year, 13,800 had vested and were exercisable at the end of the year.

The weighted average fair value of each option granted during the year was £131.97.

The directors have estimated the fair value of the options granted at 1 January 2014 using an equity value derived from a multiple of 8.1 x EBITDA.

The share-based remuneration expense (note 4) comprises:

	2014 £	2013 £
Equity-settled schemes	2,671,504	-
	<hr/>	<hr/>