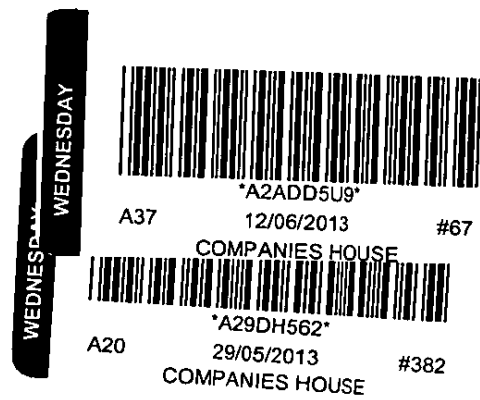


COMPANY REGISTRATION NUMBER  
06156953

**JUPITER FUND MANAGEMENT GROUP LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**



# **JUPITER FUND MANAGEMENT GROUP LIMITED**

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# **JUPITER FUND MANAGEMENT GROUP LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

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The Directors present their report and the audited financial statements of Jupiter Fund Management Group Limited (the "Company") for the year ended 31 December 2012

### **PRINCIPAL ACTIVITY**

The Company is a subsidiary of Jupiter Fund Management plc and is an intermediate investment holding company for a group of companies providing investment management services to a range of clients. Jupiter Fund Management plc and its subsidiaries are collectively known as the "Group".

### **BUSINESS REVIEW**

#### **Results and key performance indicators**

The results show a profit of £36,000,000 (2011: £7,500,000) for the financial year as set out in the profit and loss account on page 7. The Company paid no interim dividends during the year (2011: £nil) and does not propose a final dividend (2011: £nil).

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 Jupiter Fund Management Group Limited. The development, performance and position of the Group, which includes the Company, is discussed in the 'Business review' section of the Group's Annual Report which does not form part of this report. Copies of the Annual Report are available from the following website, [www.jupiteronline.com](http://www.jupiteronline.com).

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

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 'Principal risks and mitigations' section of the Group's Annual Report which does not form part of this report.

### **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.

### **DIRECTORS**

The Directors who served during the year and up to the date of signing the financial statements were:

E. H. Bonham Carter  
A. J. Creedy  
P. M. Johnson

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.

### **ENVIRONMENTAL POLICY**

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

## **JUPITER FUND MANAGEMENT GROUP LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)**

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#### **STATEMENT OF 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,
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

#### **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**

The Company has access to the financial resources required to run the business efficiently. The Company's forecasts and projections show that the Company will be able to operate within its available resources. As a consequence, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **INDEPENDENT AUDITORS**

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

#### **BY ORDER OF THE BOARD**

  
FAITH PENGELLY

Jupiter Asset Management Limited  
Company Secretary  
1 Grosvenor Place  
London SW1X 7JJ  
21 March 2013

## **JUPITER FUND MANAGEMENT GROUP LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JUPITER FUND MANAGEMENT GROUP LIMITED**

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We have audited the financial statements of Jupiter Fund Management Group Limited for the year ended 31 December 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).

#### **Respective responsibilities of Directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom and 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 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.

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

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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

#### **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 December 2012 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.

#### **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.

## **JUPITER FUND MANAGEMENT GROUP LIMITED**

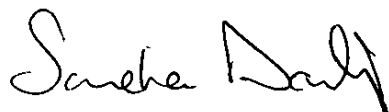
### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JUPITER FUND MANAGEMENT GROUP LIMITED (CONTINUED)**

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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



Sandra Dowling (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
21 March 2013

## JUPITER FUND MANAGEMENT GROUP LIMITED

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £'000	2011 £'000
Turnover		36,000	7,500
<b>Profit on ordinary activities before taxation</b>	2	36,000	7,500
Tax on profit on ordinary activities	3	-	-
<b>Profit for the financial year</b>	9	36,000	7,500

All amounts relate to continuing operations

There is no difference between the results for the current and prior year and the historical cost equivalent

There are no other recognised gains or losses other than those included in the results above and therefore no separate statement of recognised gains and losses has been prepared


The notes on pages 9 to 13 form part of these financial statements

# JUPITER FUND MANAGEMENT GROUP LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2012

	Note	2012 £'000	2011 £'000
<b>FIXED ASSETS</b>			
Investment in subsidiary undertaking	5	<u>297,000</u>	<u>297,000</u>
<b>CURRENT ASSETS</b>			
Debtors amounts falling due within one year	6	-	6
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	7	<u>(219,723)</u>	<u>(255,729)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(219,723)</u>	<u>(255,723)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>77,277</u>	<u>41,277</u>
<b>NET ASSETS</b>		<u>77,277</u>	<u>41,277</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	33,000	33,000
Profit and loss account	9	<u>44,277</u>	<u>8,277</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>	10	<u>77,277</u>	<u>41,277</u>

The financial statements of Jupiter Fund Management Group Limited (registered number 06156953) on pages 7 to 13 were approved by the Board of Directors on 21 March 2013 and were signed on its behalf by

  
P M Johnson,  
Director

The notes on pages 9 to 13 form part of these financial statements



# **JUPITER FUND MANAGEMENT GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

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### **1. ACCOUNTING POLICIES**

#### **a. Accounting convention**

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. 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**

Turnover consists of dividend income from shares in subsidiary undertaking. Dividends receivable are recognised in the period in which they are received.

#### **c. Investment in subsidiary undertaking**

The investment in subsidiary undertaking is held at historic cost, unless there has been an impairment in value. The carrying amount of the Company's subsidiary is reviewed at each reporting date to determine whether there is an indication of impairment. If such an indication exists, the subsidiary's recoverable amount is estimated. Losses are recognised in the profit and loss account 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 profit and loss account.

#### **d. Taxation**

The Company provides for current tax according to UK 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.

#### **e. Cash flow statement and related party disclosures**

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 a cash flow statement under the terms of FRS 1 ('Cash flow statements', revised 1996). The Company is also exempt under the terms of FRS 8 ('Related party disclosures') from disclosing related party transactions with entities that are part of the Group or investees of the Group.

#### **f. Dividends**

Dividend distributions to shareholders are recognised in the period in which they are approved by the Board of Directors.

### **2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

There were no employees during the year (2011: nil). Auditors' remuneration of £5,000 (2011: £5,000), is borne by the parent company.

# JUPITER FUND MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

### 3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2012 £'000	2011 £'000
--	---------------	---------------

The tax charge is made up as follows:

#### Current tax:

UK corporation tax on profits for the year

- -

Total tax on profit on ordinary activities

- -

The tax assessed for the year is lower (2011 lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2012 of 24.5 per cent (2011 26.5 per cent). The differences are explained below

	2012 £'000	2011 £'000
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#### Reconciliation of tax charge:

Profit on ordinary activities before taxation

36,000 7,500

#### Effect of:

UK Corporation tax on profit before tax at 24.5 per cent (2011 26.5 per cent)

8,820 1,988

Non-taxable profits

(8,820) (1,988)

Total current tax charge

- -

#### Factors that may affect future tax charges

The average UK corporation tax rate for the year ended 31 December 2012 was 24.5 per cent (2011 26.5 per cent)

On 1 April 2012, the UK corporation tax rate changed from 26 per cent to 24 per cent. In addition, a number of other changes to the UK corporation tax system was announced in the March 2012 UK Budget Statement. Legislation to reduce the main rate of corporation tax from 24 per cent to 23 per cent from 1 April 2013 was included in the Finance Act 2012.

A further reduction to the main rate is proposed to reduce the rate by 2 per cent to 21 per cent by 1 April 2014. This further change had not been substantively enacted at the balance sheet date and, therefore, is not included in this financial information. This proposed reduction of the main rate of corporation tax is expected to be enacted by July 2013.

## JUPITER FUND MANAGEMENT GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

#### 4. DIRECTORS' EMOLUMENTS

Certain Directors provide services to a number of Group companies and accordingly their emoluments are charged across a number of Group companies. The emoluments below represent an apportionment of their emoluments in respect of the Company's subsidiaries.

	2012 £'000	2011 £'000
Aggregate remuneration including bonuses	2,544	2,242
Aggregate amounts (excluding shares and share options) receivable under long term incentive schemes	368	184
Pension contributions	265	52
	<u>3,177</u>	<u>2,478</u>

Pension contributions were made to a defined contribution pension scheme during the year on behalf of two Directors (2011: two). During 2012, no Directors exercised options over shares of Jupiter Fund Management plc (2011: nil).

Shares were receivable by three Directors under long-term incentive schemes (2011: three).

#### Emoluments of the highest paid Director

	2012 £'000	2011 £'000
Remuneration including amounts (excluding shares and share options) receivable under long-term incentive arrangements	1,601	1,237
Pension contributions	-	-
	<u>1,601</u>	<u>1,237</u>

In 2012 and 2011, shares were receivable by the highest paid Director under long-term incentive schemes.

#### 5. INVESTMENT IN SUBSIDIARY UNDERTAKING

	£'000
<b>Cost</b>	
At 1 January and 31 December 2012	<u>297,000</u>
<b>Provisions</b>	
At 1 January and 31 December 2012	<u>-</u>
<b>Carrying value at 31 December 2012</b>	<u>297,000</u>
Carrying value at 31 December 2011	<u>297,000</u>

The Directors believe that the carrying value of the investment is supported by its underlying net assets.

## JUPITER FUND MANAGEMENT GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

#### 5. INVESTMENT IN SUBSIDIARY UNDERTAKING (CONTINUED)

The following information relates to the Company's operating subsidiaries which principally affected the profits or net assets of the Company. To avoid a statement of excessive length, details of investments which are not significant have been omitted. The Company held directly or indirectly all of the issued ordinary shares of all of the principal subsidiaries in 2012 and 2011.

<u>Subsidiaries</u>	<u>Country of incorporation &amp; operation</u>	<u>Principal activities</u>
Jupiter Asset Management Group Limited*	England and Wales	Investment holding company
Jupiter Investment Management Group Limited	England and Wales	Investment holding company
Jupiter Asset Management Limited	England and Wales	Investment management
Jupiter Unit Trust Managers Limited	England and Wales	Unit trust activities
Jupiter Asset Management (Bermuda) Limited **	Bermuda	Investment management

\* Subsidiary wholly owned directly by the Company

\*\* Common shares

A full list of subsidiary undertakings and associates will be annexed to the next annual return of Jupiter Fund Management Group Limited to be filed with the Registrar of Companies.

#### 6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £'000	2011 £'000
Amounts owed by Group undertakings	-	6

Amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

#### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £'000	2011 £'000
Amounts owed to parent company	219,723	255,729

Amounts owed to parent company are unsecured, interest free and repayable on demand.

#### 8. CALLED UP SHARE CAPITAL

	2012 £'000	2011 £'000
<b>Allotted and fully paid:</b>		
660,000,000 ordinary shares of £0.05 each (2011: 660,000,000 ordinary shares of £0.05 each)	33,000	33,000

## JUPITER FUND MANAGEMENT GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

#### 9. PROFIT AND LOSS ACCOUNT

	2012 £'000	2011 £'000
At 1 January	8,277	777
Profit for the financial year	<u>36,000</u>	<u>7,500</u>
<b>At 31 December</b>	<b><u>44,277</u></b>	<b><u>8,277</u></b>

#### 10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £'000	2011 £'000
Opening shareholders' funds	41,277	33,777
Profit for the financial year	<u>36,000</u>	<u>7,500</u>
<b>Closing shareholders' funds</b>	<b><u>77,277</u></b>	<b><u>41,277</u></b>

#### 11 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate and immediate 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 1 Grosvenor Place, London SW1X 7JJ