

Registration number: 229607

ITV Services Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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ITV Services Limited

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ITV Services Limited

Strategic Report for the Year Ended 31 December 2016

The Directors present their strategic report for the year ended 31 December 2016.

Principal activity

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

Fair review of the business

The results for the Company show a profit for the year of £1,468,440,000 (2015: £118,092,000). At the balance sheet date the Company had net assets of £1,211,420,000 (2015: £1,457,790,000). The increase in profit was driven mainly by receipt of dividend.

KPI's

The Directors of the Company use the KPI's of ITV plc group to manage the performance of the Company. The KPI's are included on pages 36 to 39 of the Group's 2016 annual report.

Principal risks and uncertainties

The key risk in the Company is the value and performance of its investments. The Directors review the performance of its investments regularly and provide for impairment where necessary.

A comprehensive strategic review of the Company's strategy, outlining the development, performance and position of the Company's business can be found in the Strategic Report of the group in the ITV plc Annual Report. The Annual Report of ITV plc is available to the public and may be obtained from www.itvplc.com or the Company Secretary, The London Television Centre, Upper Ground, SE1 9LT.

Approved by the Board on ~~5 AUGUST 2017~~ and signed on its behalf by:



Ian Griffiths
Director

ITV Services Limited

Directors' Report for the Year Ended 31 December 2016

The Directors present their report and the financial statements for the year ended 31 December 2016.

Directors' of the company

The directors, who held office during the year, were as follows:

Adam Crozier (resigned 30 June 2017)

Andrew Garard

Ian Griffiths

Mary Fagan

Peter Fincham (resigned 1 March 2016)

Kevin Lygo

Simon Pitts

David Osborn

Edward Williams

Julian Bellamy (appointed 1 February 2016)

The following director was appointed after the year end:

Rufus Radcliffe (appointed 27 April 2017)

Directors' liabilities

Directors of ITV plc (I Griffiths and A Crozier) benefit from qualifying indemnity provision in place during the year and at the date of this report and the other Directors benefit from third party insurance provision in place during the financial year and at the date of this report.

Dividends

The Directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 31 December 2016 (2015: £Nil). An interim dividend of £1,505,897,000 was paid during the year (2015: £200,000,000).

Employment of disabled persons

The employment policies of the Company are disclosed in the Directors' Report on pages 99 and 100 in the Group accounts of ITV plc for the year ended 31 December 2016. A copy of the accounts of ITV plc can be obtained from the Company Secretary at the registered office address.

Employee involvement

The employment policies of the Company are disclosed in the Directors' Report on pages 99 and 100 in the Group accounts of ITV plc for the year ended 31 December 2016. A copy of the accounts of ITV plc can be obtained from the Company Secretary at the registered office address.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation for at least twelve months from the date of this report. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements (see note 1).

Disclosure of information to the auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

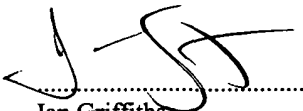
ITV Services Limited

Directors' Report for the Year Ended 31 December 2016

Reappointment of auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board on 9 August 2017 and signed on its behalf by:



Ian Griffiths
Director

Registered office

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

ITV Services Limited

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

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

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

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

Independent Auditor's Report To The Members Of ITV Services Limited

We have audited the financial statements of ITV Services Limited for the year ended 31 December 2016, set out on pages 7 to 63. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors report:

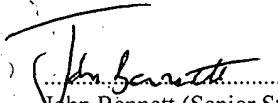
- we have not identified material misstatements in those reports and 31 December 2016 profit for the year then ended.
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report To The Members Of ITV Services Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit


John Bennett (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Date: 9/8/17

ITV Services Limited

Income statement for the Year Ended 31 December 2016

	Note	2016 £ 000	2015 £ 000
Revenue	3	148,979	130,787
Staff Costs	8	(64,355)	(64,158)
Depreciation and amortisation expense		(20,536)	(18,122)
Other expenses		<u>(47,156)</u>	<u>(55,739)</u>
Operating profit/(loss)	4	16,932	(7,232)
Income from shares in group undertakings		1,506,641	200,000
Interest receivable and similar income	5	69	17,156
Interest payable and similar expenses	6	<u>(48,319)</u>	<u>(52,958)</u>
Profit before tax		1,475,323	156,966
Income tax expense	10	<u>(4,819)</u>	<u>(38,874)</u>
Profit for the year		<u><u>1,470,504</u></u>	<u><u>118,092</u></u>

The above results were derived from continuing operations.

ITV Services Limited

Statement of Comprehensive Income for the Year Ended 31 December 2016

	2016	2015
	£ 000	£ 000
Profit for the year	<u>1,470,504</u>	<u>118,092</u>
Items that will not be reclassified subsequently to profit or loss		
Actuarial (loss)/gain on defined benefit pension schemes before tax	(247,950)	91,000
Income tax credit/(charge) on items that will never be reclassified	<u>39,950</u>	<u>(18,765)</u>
	<u>(208,000)</u>	<u>72,235</u>
Total comprehensive income for the year	<u><u>1,262,504</u></u>	<u><u>190,327</u></u>

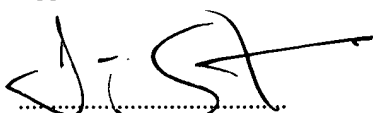
ITV Services Limited

(Registration number: 229607)

Statement of Financial Position as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
Non-current assets			
Intangible assets	12	16,826	16,405
Property, plant and equipment	11	66,681	72,021
Investments	13	1,860,443	1,860,443
Deferred tax assets	10	44,415	10,085
		<u>1,988,365</u>	<u>1,958,954</u>
Current assets			
Trade and other receivables	14	550,320	595,965
Cash and cash equivalents		-	129
		<u>550,320</u>	<u>596,094</u>
Current liabilities			
Trade and other payables	15	(957,138)	(919,756)
Borrowings	16	(63)	-
Provisions	17	-	(957)
		<u>(957,201)</u>	<u>(920,713)</u>
Net current liabilities		<u>(406,881)</u>	<u>(324,619)</u>
Non-current liabilities			
Provisions	17	-	(545)
Retirement benefit obligations	18	(368,000)	(176,000)
		<u>(368,000)</u>	<u>(176,545)</u>
Net assets		<u>1,213,484</u>	<u>1,457,790</u>
Capital and reserves			
Share capital	20	3	3
Share premium		61,992	61,992
Capital redemption reserve		149,218	149,218
Retained earnings		<u>1,002,271</u>	<u>1,246,577</u>
		<u>1,213,484</u>	<u>1,457,790</u>

Approved by the Board on 9 AUGUST 2017 and signed on its behalf by:



Ian Griffiths

Director

The notes on pages 11 to 63 form an integral part of these financial statements.

ITV Services Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £ 000	Share premium £ 000	Capital redemption reserve £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2016	3	61,992	149,218	1,246,577	1,457,790
Profit for the year	-	-	-	1,470,504	1,470,504
Actuarial loss on defined benefit scheme	-	-	-	(247,950)	(247,950)
Income tax charge on other operating income	-	-	-	39,950	39,950
Dividends	-	-	-	(1,505,897)	(1,505,897)
Tax on items taken directly to equity	-	-	-	(913)	(913)
At 31 December 2016	<u>3</u>	<u>61,992</u>	<u>149,218</u>	<u>1,002,271</u>	<u>1,213,484</u>

	Share capital £ 000	Share premium £ 000	Capital redemption reserve £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2015	3	57,161	149,421	1,256,458	1,463,043
Profit for the year	-	-	-	118,092	118,092
Actuarial gain on defined benefit scheme	-	-	-	91,000	91,000
Income tax charge on other operating income	-	-	-	(18,765)	(18,765)
Issue of share capital	-	4,831	-	-	4,831
Other reserve movement	-	-	(203)	-	(203)
Tax on items taken directly to equity	-	-	-	(208)	(208)
Dividends	-	-	-	(200,000)	(200,000)
At 31 December 2015	<u>3</u>	<u>61,992</u>	<u>149,218</u>	<u>1,246,577</u>	<u>1,457,790</u>

The notes on pages 11 to 63 form an integral part of these financial statements.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Company is the Principal Employer of the Group's Defined Benefit Scheme and under FRS101 recognises the net pension deficit on its Balance Sheet. Refer to note 19 for further details.

The Company is a qualifying entity as it is a member of the ITV plc group where ITV plc, the ultimate parent prepares publicly available consolidated financial statements.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and on a historical cost basis.

Change in policy

The presentation of operating costs has been changed in order to provide a more consistent presentation with other companies in the ITV Group. Staff costs, depreciation and amortisation are now shown separately on the profit and loss account as expenses by nature. This represents a policy choice for presentation in accordance with IAS 1 and has no effect on either years results.

Summary of disclosure exemptions

The Company is taking advantage of the following disclosure exemptions under FRS 101:

- A Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel;

As the consolidated financial statements of ITV plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to apply the reduced disclosure framework of FRS 101 in its next financial statements.

Going Concern

The Company has net current liabilities of £406,881,000 as at 31 December 2016. The Company is dependent on its immediate parent undertaking, ITV plc, for its funding, from whom a letter of support has been obtained. The Directors of the Company have no reason to believe that this financial support will not be forthcoming in the event that it is required. On this basis, and on their assessment of the Company's financial position, the Directors have a reasonable expectation that the Company has adequate resources to continue in operation for at least twelve months from the date of this report. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies (continued)

Amounts due (to) / from group undertakings

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

Exemption from preparing group accounts

The financial statements contain information about ITV Services Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, ITV plc, a company incorporated in United Kingdom.

Revenue

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

Foreign currency transactions and balances

The primary economic environment in which the Company operates is the UK and therefore the financial statements are presented in pounds sterling (£).

Where the Company transacts in foreign currencies, these transactions are translated into pounds sterling at the exchange rate on the transaction date. Foreign currency monetary assets and liabilities are translated into pounds sterling at the year end exchange rate. Where there is a movement in the exchange rate between the date of the transaction and the year end, a foreign exchange gain or loss is recognised in the income statement.

Hedge accounting is implemented on certain foreign currency firm commitments, which allows for the ineffective portion of any foreign exchange gains or losses to be recognised in the income statement. The effective portion of any foreign exchange gains or losses is to be recognised in other comprehensive income.

Where a forward currency contract is used to manage foreign exchange risk and hedge accounting is not applied, any movement in currency is taken to the income statement.

Non-monetary assets and liabilities, measured at historical cost are translated into pounds sterling at the exchange rate on the date of the transaction.

Tax

The tax charge for the period is recognised in the profit and loss account, the statement of comprehensive income and directly in equity, according to the accounting treatment of the related transaction. The tax charge comprises both current and deferred tax. The calculation of the Company's tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be fully determined until a resolution has been reached by the relevant tax authority.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies (continued)

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment in respect of previous years.

The Company recognises liabilities for anticipated tax issues based on estimates of the additional taxes that are likely to become due, which require judgement. Amounts are accrued based on management's interpretation of specific tax law and the likelihood of settlement. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

Deferred tax arises due to certain temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those for taxation purposes. The following temporary differences are not provided for:

- the initial recognition of goodwill;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. Deferred tax is calculated using tax rates that are enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference. Recognition of deferred tax assets, therefore, involves judgement regarding the timing and level of future taxable income.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the assets. The depreciation charge is sensitive to the estimated useful life of each asset and the expected residual value at the end of its life. The major categories of property, plant and equipment are depreciated as follows:

Asset class	Depreciation method and rate
Freehold land	not depreciated
Freehold buildings	up to 60 years
Leasehold improvement	shorter of residual lease term or estimated useful life
Vehicles, equipment and fittings	3 - 20 years
Assets under construction	not depreciated

Intangible assets

Software licences and development are stated initially at cost and subsequently at cost less accumulated amortisation.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies (continued)

Amortisation

Amortisation is charged to the income statement over the estimated useful lives of intangible assets.

Asset class

Software licences and development

Amortisation method and rate

Straight line 1 - 5 years

Investments

The Company's statement of financial position includes investments at cost less amounts written off in respect of any impairment.

Trade receivables

Trade receivables are recognised initially at the value of the invoice sent to the customer and subsequently at the amounts considered recoverable (amortised cost). Where payments are not due for more than one year, they are shown in the financial statements at their net present value to reflect the economic cost of delayed payment. The Company provides goods and services to substantially all its customers on credit terms.

Estimates are used in determining the level of receivables that will not, in the opinion of the Directors, be collected. These estimates include such factors as historical experience, the current state of the UK and overseas economies and industry specific factors. A provision for impairment of trade receivables is established when there is sufficient evidence that the Company will not be able to collect all amounts due.

Trade payables

Trade payables are recognised at the value of the invoice received from a supplier. The carrying value of current and non-current trade payables is considered to approximate fair value.

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Leases

Finance leases are those which transfer substantially all the risks and the ownership to the lessee. Assets held under such leases are capitalised as tangible fixed assets and depreciation is provided where appropriate. Outstanding finance lease obligations, which comprise principal plus accrued interest, are included within creditors. The finance element of the agreement is charged to profit and loss account over the term of the lease on a systematic basis.

All other leases are operating leases. The rentals on such leases are charged to the profit and loss account on a straight line basis over the term lease.

Dividends

Dividends are recognised through equity on the earlier of their approval by the Company's shareholders or payment.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies (continued)

Defined contribution pension obligation

A defined contribution plan is a post-employment benefit plan under which the Company pay fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Defined benefit pension obligation

The Company's obligation in respect of the Scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value and the fair value of scheme assets is then deducted. The discount rate used is the yield at the valuation date on high quality corporate bonds of a similar duration to the timing of the future expected benefit payments.

The liabilities of the Scheme are measured by discounting the best estimate of future cash flows to be paid using the projected unit method. This method is an accrued benefits valuation method that makes allowance for projected earnings. These calculations are performed by a qualified actuary.

Actuarial gains and losses are recognised in full in the period in which they arise through the statement of comprehensive income.

Share based payments

For each of the Company's share-based compensation schemes, the fair value of the equity instrument granted is measured at grant date and spread over the vesting period via a charge to the profit and loss account with a corresponding increase in equity.

The fair value of the share options and awards is measured using either market price at grant date or, for the Save As You Earn scheme (SAYE), a Black-Scholes model, taking into account the terms and conditions of the individual scheme.

Vesting conditions are limited to service conditions and performance conditions. For performance-based schemes, the relevant Company performance measures are projected to the end of the performance period in order to determine the number of options expected to vest. The estimate is then used to determine the option fair value, discounted to present value. The Group revises its estimates of the number of options that are expected to vest, including an estimate of forfeitures at each reporting date. The impact of the revision to original estimates, if any, are recognised in the profit and loss account, with a corresponding adjustment to equity.

Exercises of share options granted to employees can be satisfied by market purchase or issue of new shares. No new shares may be issued to satisfy exercises under the terms of the DSA. During the year all exercises were satisfied by using shares purchased in the market and held in the ITV Employees' Benefit Trust.

These relate to the ultimate parent's shares and the Company accounts for these as cash settled. As there is a formal recharge agreement in place an intercompany balance is recognised for the control of share based payments.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies (continued)

Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements often requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. For the current year, there were no significant judgements that require disclosure.

Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2016 £ 000	2015 £ 000
Recharge of costs to group undertakings	<u>148,979</u>	<u>130,787</u>

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

4 Operating loss

Arrived at after charging/(crediting)

	2016 £ 000	2015 £ 000
Depreciation expense	10,579	11,137
Amortisation expense	9,957	6,985
Foreign exchange (gains)/losses	(1,392)	3,659
Operating lease expense - property	8,038	11,647
Loss on disposal of property, plant and equipment	<u>1,278</u>	<u>-</u>

5 Interest receivable and similar income

	2016 £ 000	2015 £ 000
Interest income on bank deposits	36	3
Income from foreign exchange movements	33	-
Interest from group undertakings	<u>-</u>	<u>17,153</u>
	<u>69</u>	<u>17,156</u>

The presentation of interest on intercompany balances has changed in 2016. Interest payable and interest receivable are now netted down where they relate to in-house bank or trading balances with the same counterparty.

6 Interest payable and similar expenses

	2016 £ 000	2015 £ 000
Interest on bank overdrafts and borrowings	-	1
Interest expense on pension liabilities	24,000	10,300
Foreign exchange losses	22	11
Interest payable to group undertakings	<u>24,297</u>	<u>42,646</u>
	<u>48,319</u>	<u>52,958</u>

The presentation of interest on intercompany balances has changed in 2016. Interest payable and interest receivable are now netted down where they relate to in-house bank or trading balances with the same counterparty.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

7 Auditor's remuneration

The auditor's remuneration of £500 (2015: £500) was borne by another group Company.

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

8 Staff costs

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2016 £ 000	2015 £ 000
Wages and salaries	45,480	42,030
Social security costs	5,221	4,990
Pension costs, defined contribution scheme	3,868	4,082
Pension costs, defined benefit scheme	7,000	8,516
Share-based payment expenses	2,786	4,540
	<u>64,355</u>	<u>64,158</u>

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

	2016 No.	2015 No.
Directors and executives	51	51
Finance and technology	512	507
Human resources	53	49
Other departments	290	277
	<u>906</u>	<u>884</u>

9 Directors' remuneration

The Directors' remuneration for the year was as follows:

	2016 £ 000	2015 £ 000
Remuneration	3,965	4,369
Contributions paid to money purchase schemes	133	435
	<u>4,098</u>	<u>4,804</u>

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

9 Directors' remuneration (continued)

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

	2016 No.	2015 No.
Accruing benefits under defined benefit pension scheme	1	-
Accruing benefits under money purchase pension scheme	<u>4</u>	<u>2</u>

In respect of the highest paid director:

	2016 £ 000	2015 £ 000
Remuneration	1,099	1,950
Company contributions to money purchase pension schemes	<u>-</u>	<u>230</u>
	<u>1,099</u>	<u>2,180</u>

10 Taxation

Tax charged/(credited) in the income statement

	2016 £ 000	2015 £ 000
Current taxation		
UK corporation tax adjustment to prior periods	<u>112</u>	<u>91</u>
Total current income tax	<u>112</u>	<u>91</u>
Deferred taxation		
Origination and reversal of temporary differences	4,345	38,783
Arising from changes in tax rates and laws	<u>362</u>	<u>-</u>
Total deferred taxation	<u>4,707</u>	<u>38,783</u>
Tax expense in the income statement	<u>4,819</u>	<u>38,874</u>

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

10 Taxation (continued)

The tax charge on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2015: higher than the standard rate of corporation tax in the UK) of 20% (2015: 20.25%).

The differences are reconciled below:

	2016 £ 000	2015 £ 000
Profit before tax	1,475,323	156,966
Corporation tax at standard rate of 20.00% (2015: 20.25%)	295,065	31,786
Effect of dividends exempt from taxation	(320,819)	(69,788)
Increase in current tax from unrecognised temporary difference from a prior period	112	91
Deferred tax expense from unrecognised temporary difference from a prior period	-	23,666
Deferred tax expense relating to changes in tax rates or laws	3,770	-
Permanent differences and group relief	26,691	53,119
Total tax charge	4,819	38,874

The corporation tax rate of 20% reflects the reduction in the rate from 21% to 20% effective from 1 April 2015.

The Finance Act 2015 provides for a reduction in the main rate of corporation tax from 20% to 19% from 1 April 2017. The Finance Act 2016, which was substantively enacted on 15 September 2016, provides for a reduction in the main rate of corporation tax to 17% from 1 April 2020 (this supersedes the reduction to 18% which was provided for in the Finance Act 2015). These rate reductions have been reflected in the calculation of deferred tax at the statement of financial position date.

Deferred tax

Deferred tax assets and liabilities

2016	Asset £ 000
Accelerated tax depreciation	7,347
Share-based payment	936
Pension benefit obligations	34,068
Accruals	-
Other items	2,064
	44,415

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

10 Taxation (continued)

2015	Asset £ 000
Accelerated tax depreciation	6,512
Share-based payment	1,719
Pension benefit obligations	1,854
Accruals	-
Other items	-
	<u>10,085</u>

Deferred tax movement during the year:

	At 1 January 2016 £ 000	Recognised in income £ 000	Recognised in other comprehensive income £ 000	Recognised in equity £ 000	At 31 December 2016 £ 000
Accelerated tax depreciation	6,512	835	-	-	7,347
Share-based payment	1,719	130	-	(913)	936
Pension benefit obligations	1,854	(7,736)	39,950	-	34,068
Accruals	-	-	-	-	-
Other items	-	2,064	-	-	2,064
Net tax assets/(liabilities)	<u>10,085</u>	<u>(4,707)</u>	<u>39,950</u>	<u>(913)</u>	<u>44,415</u>

Deferred tax movement during the prior year:

	At 1 January 2015 £ 000	Recognised in income £ 000	Recognised in other comprehensive income £ 000	Recognised in equity £ 000	At 31 December 2015 £ 000
Accelerated tax depreciation	5,963	549	-	-	6,512
Share-based payment	2,012	(85)	-	(208)	1,719
Pension benefit obligations	36,200	(15,581)	(18,765)	-	1,854
Accruals	94	(94)	-	-	-
Other items	23,572	(23,572)	-	-	-
Net tax assets/(liabilities)	<u>67,841</u>	<u>(38,783)</u>	<u>(18,765)</u>	<u>(208)</u>	<u>10,085</u>

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

11 Property, plant and equipment

	Land and buildings £ 000	Vehicles, equipment and fittings £ 000	Total £ 000
Cost or valuation			
At 1 January 2016	52,913	79,682	132,595
Additions	1,148	5,909	7,057
Disposals	(1,278)	(19,599)	(20,877)
At 31 December 2016	52,783	65,992	118,775
Depreciation			
At 1 January 2016	9,390	51,184	60,574
Charge for the year	1,378	9,201	10,579
Eliminated on disposal	-	(19,059)	(19,059)
At 31 December 2016	10,768	41,326	52,094
Carrying amount			
At 31 December 2016	42,015	24,666	66,681
At 31 December 2015	43,523	28,498	72,021

Included within the net book value of land and buildings above is £22,929,230 (2015: £24,124,925) in respect of freehold land and buildings, £17,359,019 (2015: £17,755,019) in respect of long leasehold land and buildings and £1,726,751 (2015: £1,642,974) in respect of short leasehold land and buildings.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

10 Taxation (continued)

2015	Asset £ 000
Accelerated tax depreciation	6,512
Share-based payment	1,719
Pension benefit obligations	1,854
Accruals	-
Other items	-
	<u>10,085</u>

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Pension benefit obligations	1,854	(7,736)	39,950	-	34,068
Accruals	-	-	-	-	-
Other items	-	2,064	-	-	2,064
Net tax assets/(liabilities)	<u>10,085</u>	<u>(4,707)</u>	<u>39,950</u>	<u>(913)</u>	<u>44,415</u>

Deferred tax movement during the prior year:

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Pension benefit obligations	36,200	(15,581)	(18,765)	-	1,854
Accruals	94	(94)	-	-	-
Other items	23,572	(23,572)	-	-	-
Net tax assets/(liabilities)	<u>67,841</u>	<u>(38,783)</u>	<u>(18,765)</u>	<u>(208)</u>	<u>10,085</u>

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

11 Property, plant and equipment

	Land and buildings £ 000	Vehicles, equipment and fittings £ 000	Total £ 000
Cost or valuation			
At 1 January 2016	52,913	79,682	132,595
Additions	1,148	5,909	7,057
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At 31 December 2016	52,783	65,992	118,775
Depreciation			
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Eliminated on disposal	-	(19,059)	(19,059)
At 31 December 2016	10,768	41,326	52,094
Carrying amount			
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Included within the net book value of land and buildings above is £22,929,230 (2015: £24,124,925) in respect of freehold land and buildings, £17,359,019 (2015: £17,755,019) in respect of long leasehold land and buildings and £1,726,751 (2015: £1,642,974) in respect of short leasehold land and buildings.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

12 Intangible assets

	Software licences and development £ 000
Cost	
At 1 January 2016	72,117
Additions	10,378
Disposals	<u>(459)</u>
At 31 December 2016	<u>82,036</u>
Amortisation	
At 1 January 2016	55,712
Amortisation charge	9,957
Amortisation eliminated on disposals	<u>(459)</u>
At 31 December 2016	<u>65,210</u>
Carrying amount	
At 31 December 2016	<u><u>16,826</u></u>
At 31 December 2015	<u><u>16,405</u></u>

13 Investments

	£ 000
Subsidiaries	
Cost	
At 31 December 2015 and 31 December 2016	<u>1,860,443</u>
Net book value	
At 31 December 2016	<u><u>1,860,443</u></u>
At 31 December 2015	<u><u>1,860,443</u></u>

Details of all subsidiaries, joint ventures and associates of the Company as at 31 December 2016 are disclosed in note 27.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

14 Trade and other debtors

	2016 £ 000	2015 £ 000
Amounts due from group undertakings	537,458	583,770
Prepayments and accrued income	11,177	9,739
Other receivables	1,685	2,456
	<u>550,320</u>	<u>595,965</u>

Included in amounts due from group undertakings are amounts of £nil (2015: £154,205,897) which relate to balances associated with the ITV plc group treasury pooling arrangements. This balance is repayable on demand and in 2015 attracted interest of 3% above base rate per annum.

Included in amounts due from group undertakings of £537,458,000 (2015: £583,770,000) is an amount of £537,458,000 (2015: £429,564,103) which represents intercompany trading, has no associated interest and is repayable on demand.

The carrying value of trade receivables is considered to approximate fair value.

15 Trade and other payables

	2016 £ 000	2015 £ 000
Trade payables	12,486	13,871
Accrued expenses	46,953	45,868
Amounts due to group undertakings	822,525	767,071
Social security and other taxes	58,708	73,816
Outstanding defined contribution pension costs	-	140
Other payables	16,466	18,990
	<u>957,138</u>	<u>919,756</u>

Included in amounts due to group undertakings of £822,525,068 (2015: £767,071,000) are amounts of:

- £670,055,823 (2015: £707,247,938) which relate to balances associated with the ITV plc group treasury pooling arrangements. This balance is repayable on demand and attracts interest of 3% above base rate per annum.
- £59,823,062 (2015: £59,823,062) which relate to loans to fellow subsidiaries. This balance is repayable on demand and attracts interest of 3% above base rate per annum.
- £92,646,183 (2015: £nil) which represents intercompany trading, has no associated interest and is repayable on demand.

The carrying value of trade payables is considered to approximate fair value.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

16 Loans and borrowings

	2016 £ 000	2015 £ 000
Current loans and borrowings		
Bank overdrafts	<u>63</u>	<u>-</u>

17 Provisions

	Contract provisions £ 000
At 1 January 2016	1,502
Released	<u>(1,502)</u>
At 31 December 2016	<u>-</u>

Provisions of £nil (2015: £957,576) are classified as current liabilities. Unwind of the discount was £nil in 2016 and 2015.

Contract provisions comprised of onerous technology services contracts which were released during the year.

18 Pension and other schemes

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £3,867,423 (2015: £4,082,155).

Contributions totalling £Nil (2015: £140,000) were payable to the scheme at the end of the year and are included in creditors.

Defined benefit pension schemes

The Group's obligations in respect of the Defined Benefit Scheme ('the Scheme') is calculated by estimating the amount of future retirement benefit that eligible employees ('members') have earned in return for their services. That benefit payable in the future is discounted to today's value and then the fair value of scheme assets is deducted to measure the defined benefit pension deficit.

The liabilities of the Scheme are measured by discounting the best estimate of future cash flows to be paid using the 'projected unit' method. This method is an accrued benefits valuation method that makes allowance for projected earnings of members in the future up to retirement.

These calculations are complex and are performed by a qualified actuary. There are many judgements and estimates necessary to calculate the Group's estimated liabilities, the main assumptions are set out later in this section. Movements in assumptions during the year are called 'actuarial gains and losses' and these are recognised in the period in which they arise through the statement of comprehensive income.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

The latest triennial valuation of the Scheme was undertaken as at 1 January 2014 by an independent actuary appointed by the Trustee of the Scheme and agreed in early 2016. The next triennial valuation will be as at 1 January 2017 and is expected to be agreed in late 2017 or early 2018. This will drive subsequent contribution rates.

An unfunded scheme in relation to four former Granada executives is accounted for under IAS 19 and the Group is responsible for meeting the pension obligations as they fall due. The unfunded scheme has additional security compared to the ITV main scheme, in the form of a charge over gilts held by the Group. The current Directors of ITV plc recognise the legacy pension obligations should be honoured, but believe the additional security for the scheme is inappropriate compared to the security provided to the members of the ITV Pension Scheme. Following the Group's unsuccessful attempt to remove the charge, the £39 million securitised gilts have been classified as other pension assets in the consolidated accounts of ITV plc, rather than cash/cash equivalents, to more fairly reflect the Group's net pension deficit. As the other pension asset is legally owned by another group entity, it is not recognised in ITV Services Limited's financial statements.

In December 2016, following a member consultation, the Group decided to close the ITV Pension Scheme to future benefit accrual with effect from 28 February 2017. Members' benefits are no longer subject to a capped pensionable salary, the benefits will be linked to statutory revaluation until retirement. This decision gave rise to a one off, non-cash £19 million curtailment charge recognised in the year.

Unless otherwise stated, references to 'the Schemes' within this note refer to the ITV Pension Scheme and the unfunded scheme combined.

The defined benefit pension deficit

Net pension deficit at 31 December 2016 was £368 million (2015: £176 million).

The net assets and liabilities of the Scheme are recognised in the statement of financial position and shown within non-current liabilities.

	2016 £ 000	2015 £ 000
Fair value of scheme assets	3,715,000	3,270,000
Total defined benefit scheme obligations	<u>(4,083,000)</u>	<u>(3,446,000)</u>
Defined benefit pension scheme deficit	<u><u>(368,000)</u></u>	<u><u>(176,000)</u></u>

The remaining sections provide further detail of the value of the Scheme's assets and liabilities, how these are accounted for and the impact on the income statement.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

Defined benefit scheme obligations

What cause movements in the defined benefit pension obligations?

The areas that impact the defined benefit obligation (the pension scheme liabilities) position at the year end are as follows:

- Current service cost - the cost to the Group of the future benefits earned by members that relates to the members' service in the current year. This is charged to operating costs in the income statement.
- Past service cost - is a change in present value of the benefits built up by the members in the prior periods; can be positive or negative resulting from changes to the existing plan as a result of an agreement between ITV and employees or as a result of significant reduction by ITV in the number of employees covered by the plan (curtailment).
- Interest cost - the pension obligations payable in the future are discounted to the present value at year end. A discount factor is used to determine the current value today of the future cost. The interest cost is the unwinding of one year's movement in the present value of the obligation. It is broadly determined by multiplying the discount rate at the beginning of the period by the updated present value of the obligation during the period. The discount rate is a key assumption explained later in this section. This interest cost is recognised through net financing costs in the income statement.
- Actuarial gains or losses - there are broadly two causes of actuarial movements. 'Experience' adjustments, which arise when comparing assumptions made when estimating the liabilities and what has actually occurred, and adjustments resulting from changes in actuarial assumptions e.g. movements in corporate bond yields. Key assumptions are explained in detail later in this section. Actuarial gains or losses are recognised through other comprehensive income.
- Benefits paid - any cash benefits paid out by the Scheme will reduce the obligation.

	2016 £ 000	2015 £ 000
Present value at start of year	3,446,000	3,687,000
Current service cost	7,000	8,000
Actuarial gains and losses arising from changes in financial assumptions	644,000	(217,000)
Interest cost	128,000	126,000
Benefits paid	(161,000)	(158,000)
Effect of curtailments	19,000	-
Present value at end of year	<u>4,083,000</u>	<u>3,446,000</u>

Of the above total defined benefit obligation at 31 December 2016, £51 million relates to unfunded schemes (2015: £46 million), including the scheme in relation to the four former Granada executives.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

Assumptions used to estimate the Scheme obligations

What are the main assumptions used to estimate the Scheme obligations?

The main assumptions are:

- future salary levels
- future pensionable salary levels
- an estimate of increases in pension payments
- the life expectancy of members
- the effect of inflation on all these factors
- the discount rate used to estimate the present day fair value of these obligations

How do we determine the appropriate assumptions?

The Group takes independent actuarial advice relating to the appropriateness of the assumptions used.

IFRS requires that we estimate a discount rate by reference to high quality fixed income investments in the UK that match the estimated term of the pension obligations.

The inflation assumption has been set by looking at the difference between the yields on fixed and index-linked Government bonds. The inflation assumption is used as a basis for the remaining financial assumptions, except where caps have been implemented.

The discount rate has therefore been obtained using the yields available on AA rated corporate bonds which match projected cash flows. The Group's estimate of the weighted average term of the liabilities is 17 years (2015: 15 years).

The principal assumptions used in the Scheme's valuations at the year end were:

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

	2016	2015
Discount rate:		
Past service liabilities	2.60%	3.80%
Future services liabilities	2.70%	4.00%
Inflation assumptions for:		
Past service liabilities	3.25%	3.00%
Future service liabilities	3.20%	3.10%
Rate of pensionable salary increases	N/A	0.90%
Rate of increase in pension payment (LPI 5% pension increases) (1)	3.15%	2.90%
Rate of increase to deferred pensions (CPI)	2.25%	2.00%

(1) LPI is Limited Price Index

Assumptions used to estimate the Scheme obligations

The table below reflects published mortality investigation data in conjunction with the results of investigations into the mortality experience of Scheme members. The assumed life expectations on retirement are:

Post retirement mortality assumptions

	2016 Years	2015 Years
Current UK pensioners at retirement age - male	22.40	23.20
Current UK pensioners at retirement age - female	24.50	25.70
Future UK pensioners at retirement age - male	23.90	25.00
Future UK pensioners at retirement age - female	26.10	27.60

	2016	2016	2015	2015
Retiring today at age	60	65	60	65
Males	27.1	22.4	28.0	23.2
Females	29.3	24.5	30.6	25.7
Retiring in 20 years at age	60	65	60	65
Males	28.8	23.9	30.0	25.0
Females	31.0	26.1	32.6	27.6

During 2016 a review of the longevity of the Scheme pensioners was conducted and revealed lower life expectancy than previously assumed. The net pension deficit is sensitive to changes in assumptions. These are disclosed further in this section.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

Total defined benefit scheme assets

The Scheme holds assets across a number of different classes which are managed by the Trustee, who consults with the Group on changes to its investment policy.

What are the pension Scheme assets?

At 31 December 2016 the Scheme's assets were invested in a diversified portfolio that consisted primarily of equity and debt securities. The tables below set out the major categories of assets.

Financial instruments are in place in order to provide protection against changes in market factors (interest rates and inflation) which could act to increase the defined benefit pension deficit. These financial instruments are classified as Scheme assets.

One such instrument is the longevity swap which the Scheme transacted in 2011 to obtain protection against the effect of increases in the life expectation of the majority of pensioner members at that date. Under the swap, the Trustee agreed to make pre-determined payments in return for payments to meet the specified pension obligations as they fall due, irrespective of how long the members and their dependants live. The difference in the present values of these two streams of payments is reflected in the Scheme assets. The swap had a nil valuation at inception and, using market-based assumptions, is subsequently adjusted for changes in the market life expectancy and market discount rates, in line with its fair value.

How do we measure the pension Scheme assets?

Defined benefit scheme assets are measured at their fair value and can change due to the following:

- Interest income on scheme assets - this is determined by multiplying the fair value of the Scheme assets by the discount rate, both taken as of the beginning of the year. This is recognised through net financing costs in the income statement.
- Return on assets arise from differences between the actual return and interest income on Scheme assets and are recognised through other comprehensive income.
- Employer's contributions are paid into the Scheme to be managed and invested.
- Benefits and administrative expenses paid out by the Schemes will lower the fair value of the Scheme's assets.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

The movement in the fair value of the defined benefit scheme's assets is analysed below:

	2016 £ 000	2015 £ 000
Fair value at start of year	3,270,000	3,340,765
Interest income	123,000	116,000
Return / (loss) on plan assets, excluding amounts included in interest	396,000	(126,000)
Employer contributions	92,000	102,235
Benefits paid	(161,000)	(158,000)
Administrative expenses paid	(5,000)	(5,000)
Fair value at end of year	<u>3,715,000</u>	<u>3,270,000</u>

The actual return on the Scheme assets, being the sum of the interest income on Scheme assets and return on Scheme assets, for the year ended 31 December 2016 was an increase of £519 million (2015: decrease of £10 million).

How are the Scheme assets invested?

At 31 December 2016 the Scheme's assets were invested in a diversified portfolio that consisted primarily of equity and debt securities. The Trustee is responsible for deciding the investment strategy for the scheme's assets, although changes in investment policies require consultation with the Group. The assets are invested in different classes to hedge against unfavourable movements in the funding obligation. When selecting the mix of assets to hold, and considering their related risks and returns, the Trustee will weigh up the variability of returns against the target long-term rate of return on the overall portfolio.

The fair value of the Scheme's assets are shown in the following table by major category:

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

Analysis of assets

The movement in the fair value of the defined benefit scheme's assets is analysed below:

The major categories of scheme assets are as follows:

	2016 £ 000	2015 £ 000
Cash and cash equivalents	178,000	86,000
Quoted equities	560,000	653,000
Quoted bonds	2,827,000	2,238,000
Investment funds	222,000	196,000
Property	62,000	54,000
Infrastructure	95,000	68,000
Insurance policies	42,000	40,000
Longevity swap fair value	<u>(271,000)</u>	<u>(65,000)</u>
	<u>3,715,000</u>	<u>3,270,000</u>

Included in the above are overseas assets of £1,244 million (2015: £1,198 million), comprised of quoted equities of £505 million (2015: £564 million) and bonds of £739 million (2015: £634 million).

The Trustee entered a longevity swap in 2011 which provides cash flow certainty by hedging the risk of increasing life expectancy over the next 70 years for 11,700 of current pensioners covering £1.7bn of the pension obligation. The fair value of the longevity swap equals the discounted value of the projected net cash flows resulting from the contract and has changed substantially over the year due to two key factors:

- A review of the longevity of pensioners covered by the swap which revealed lower life expectancy than previously expected. This reduced the asset value by £127 million.
- A reduction in the yields used to value the swap as falling yields adversely impact the fair value. This reduced the asset value by £79 million.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

Sensitivity analysis

Defined pension deficit sensitivities

Which assumptions have the biggest impact on the Scheme?

It is important to note that comparatively small changes in the assumptions used may have a significant effect on the income statement and statement of financial position. This 'sensitivity' to change is analysed below to demonstrate how small changes in assumptions can have a large impact on the estimation of the defined benefit pension deficit.

The Trustee manages the investment, mortality and inflation risks to ensure the pension obligations are met as they fall due. The investment strategy is aimed at the valuation obligation rather than IAS19 defined pension deficit value. As such the effectiveness of the risk hedging strategies on a valuation basis will not be the same as on an accounting basis. Those hedging strategies have significant impact on the movement in the net pension deficit as assumptions change, offsetting the impacts on the obligation disclosed below.

In practice, changes in one assumption may be accompanied by offsetting changes in another assumption (although this is not always the case). Changes in the assumptions may occur at the same time as changes in the market value of Scheme assets, which may or may not offset the changes in assumptions.

Changes in assumptions have a different level of impact as the value of the net pension deficit fluctuates, because the relationship between them is not linear.

The analysis below considers the impact of a single change in principal assumptions on the defined benefit obligation while keeping the other assumptions unchanged and does not take into account any risk hedging strategies:

	2016	
	+ 0.1%	- 0.1%
	£ 000	£ 000
Adjustment to discount rate		
Present value of total obligation	<u>(65,000)</u>	<u>75,000</u>
Adjustment to rate of inflation (RPI)		
Present value of total obligation	<u>15,000</u>	<u>(15,000)</u>
Adjustment to rate of inflation CPI		
Present value of total obligation	<u>10,000</u>	<u>(10,000)</u>
		2016
		+ 1 Year
		£ 000
Adjustment to mortality age rating assumption (life expectancy)		
Present value of total obligation		<u>130,000</u>

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

The sensitivity analysis has been determined by extrapolating the impact on the defined benefit obligation at the year end with changes in key assumptions that might reasonably occur.

While the Scheme's risk hedging strategy is aimed at a valuation basis, the Directors estimate that on an accounting basis it would significantly reduce the above impact on the defined benefit obligation.

In particular, an increase in assumption of life expectations by one year would benefit from an estimated increase of the value of the longevity swap by £100 million, reducing the net impact on the defined pension deficit to £30 million.

Further, the ITV Pension Scheme invests in UK Government bonds and interest rate and inflation swap contracts and therefore movements in the defined benefit obligation are typically offset, to an extent, by asset movements. This occurred during 2016 when both corporate and UK government bond yields fell significantly and the market expectation of future inflation rose. However, as corporate bond yields fell further than UK Government Bond yields, the impact on the defined benefit obligation exceeded the impact on the assets.

Amounts recognised in the income statement

What was the impact of movements on the Scheme's assets and liabilities?

The sections above describe how the Scheme obligations and assets are comprised and measured. The following section sets out the impact of various movements and expenses on the Scheme on the Group's financial statements.

	2016 £ 000	2015 £ 000
Amounts recognised in operating profit		
Current service cost	7,000	8,000
Scheme administration expenses	5,000	5,000
Recognised in arriving at operating profit	<u>12,000</u>	<u>13,000</u>
Amounts recognised in finance income or costs		
Net interest on defined benefit obligation	5,000	10,000
Curtailment cost	19,000	-
Recognised in other finance cost	<u>24,000</u>	<u>10,000</u>
Total recognised in the income statement	<u><u>36,000</u></u>	<u><u>23,000</u></u>

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Pension and other schemes (continued)

Amounts recognised through the Statement of Comprehensive Income

	2016 £ 000	2015 £ 000
Return on plan assets, excluding amounts included in interest income/(expense)	396,000	(126,000)
Actuarial gains and losses arising from changes in mortality assumptions	168,000	-
Actuarial gain on liabilities arising from change in - inflation experience	30,000	48,000
Actuarial gains and losses arising from changes in financial assumptions	<u>(841,950)</u>	<u>169,000</u>
Amounts recognised in the Statement of Comprehensive Income	<u>(247,950)</u>	<u>91,000</u>

The £644 million actuarial loss on the Scheme's liabilities was principally due to a decrease in bond yields over the year, which has resulted in an increase in the liabilities. The £396 million gain on the Scheme's assets primarily results from increases in the market values of gilts and swaps, which has led to assets outperforming expectations.

Addressing the defined benefit pension deficit

The Group works closely with the Trustee to agree appropriate levels of funding for the Scheme. This involves agreeing a Schedule of Contributions at each triennial valuation, which specifies the contribution rates for the employer and scheme members and the date these contributions are due. A recovery plan setting out the steps that will be taken to address a funding shortfall is also agreed.

In the event that the Group's defined benefit scheme is in a net liability position, the Directors must take steps to manage the size of the deficit. Apart from the funding agreements mentioned above, this could involve pledging additional assets to the Scheme, as was the case in the SDN and London Television Centre ('LTVC') pension funding partnerships (explained below).

The levels of ongoing contributions to the Scheme are based on the current service costs (as assessed by the Scheme Trustee) and the expected future cash flows of the Scheme. Normal employer contributions in 2017 for current service (including administration expenses) are expected to be in the region of £6 million (2016: £12 million) and deficit funding contributions in 2017 are expected to be £66 million (2016: £66 million), assuming current contribution rates continue as agreed with the Trustee. The reduction in normal employer contributions for current service is as a result of the closure of the ITV Pension Scheme to future benefit accrual.

The Group has two asset-backed pension funding agreements with the Trustee and makes annual payments of £11 million for 12 years from 2011 and £2.5 million, increasing by 5% per annum until 2038. In 2017 a payment of £14 million is expected as a result of those agreements.

IFRIC 14 clarifies how the asset ceiling should be applied, and in particular, how local minimum funding rules work. The Group has determined that it has an unconditional right to a refund of surplus assets if the Schemes are run off until the last member dies, on which basis IFRIC 14 does not cause any change in the balance sheet disclosures before tax.

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

19 Share-based payments

Scheme description

The Company utilises share award schemes as part of its employee remuneration packages, and therefore, operates a number of share-based compensation schemes, namely the Deferred Share Award (DSA), Performance Share Plan (PSP), Long Term incentive Plan (LTP) and Save As You Earn (SAYE) schemes.

A transaction will be classed as share-based compensation where the Company receives services from employees and pays for these in shares or similar equity instruments. If the Company incurs a liability based on the price or value of the shares then this will also fall under a share-based transaction.

The fair value of the equity instrument granted is measured at grant date and is spread over the vesting period via a charge to the income statement with a corresponding increase in equity.

The weighted average share price of share options exercised during the year was 28.81p (2015: 16.65p). The options outstanding at the year end have an exercise price in the range of nil to 206.83p and a weighted average contractual life of 1 year (2015: 1 year).

20 Share capital

	2016		2015	
	No.	£	No.	£
Cumulative preference shares of £1 each	2,130	2,130	2,130	2,130
Ordinary B shares of £0.05 each	12,523	626	12,523	626
	<u>14,653</u>	<u>2,756</u>	<u>14,653</u>	<u>2,756</u>

Rights, preferences and restrictions

Preference shares have the following rights, preferences and restrictions:

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

21 Dividends

	2016 £ 000	2015 £ 000
Final dividend of £Nil (2015: £Nil) per ordinary share	-	-
Interim dividend of £120,250.50 (2015: £93,896.71) per ordinary share	<u>1,505,897</u>	<u>200,000</u>
	<u>1,505,897</u>	<u>200,000</u>

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

22 Obligations under leases and hire purchase contracts

Operating leases

The Company's operating leases relate to office properties and are accounted for in accordance with the Group's policy on leases detailed in note 1.

Property leases run for terms ranging from five to twenty years, depending on the expected operational use of the site. Leases may include break clauses or options to renew (options to renew are not included in the commitments table). Lease payments are generally subject to market review every five years to reflect market rentals, but because of the uncertainty over the amount of any future changes, such changes have not been reflected in the table. None of the lease agreements include contingent rentals.

The total future value of minimum lease payments is as follows:

	2016 £ 000	2015 £ 000
Within one year	1,543	1,807
In two to five years	6,084	6,126
In over five years	442	1,993
	<u>8,069</u>	<u>9,926</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £8,038,217 (2015: £7,526,794).

The prior year disclosure has been corrected with no impact on the primary statements of 2016 and 2015.

23 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £2,625,158 (2015: £53,292). These costs relate to a site move and technology projects.

24 Contingent liabilities

Under a Group registration the Company is jointly and severally liable for the VAT at 31 December 2016 of £47 million (2015: £59 million).

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

25 Parent of group in whose consolidated financial statements the Company is consolidated

The name of the parent of the group in whose consolidated financial statements the Company's financial statements are consolidated is ITV plc.

These financial statements are available upon request from The London Television Centre, Upper Ground, London, SE1 9LT.

26 Parent and ultimate parent undertaking

The Company's immediate parent is ITV Holdings Limited.

The ultimate parent is ITV plc.

The most senior parent entity producing publicly available financial statements is ITV plc. These financial statements are available upon request from The London Television Centre, Upper Ground, London, SE1 9LT.

The ultimate controlling party is ITV plc.

27 Investments

All entities are direct holdings unless otherwise stated.

Details of the subsidiaries as at 31 December 2016 are as follows:

Please note that the first eleven entities listed represent the principal subsidiary undertakings of (ITV Services Limited) at 31 December 2016, all of which are wholly owned (directly or indirectly) and incorporated and registered where stated.

The registered office of the below subsidiaries is The London Television Centre, Upper Ground, London, SE1 9LT unless otherwise stated.

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held 2016
ITV Broadcasting Limited (1)(a)		United Kingdom	100%
ITV Consumer Limited (1)(a)		United Kingdom	100%
ITV Digital Channels Limited (1)(a)		United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

ITV Global Entertainment Limited (1)(a)	United Kingdom	100%
ITV Network Limited (1)(i)	United Kingdom	100%
ITV Rights Limited (1)(a)	United Kingdom	100%
ITV Studios Limited (1)(a)	United Kingdom	100%
ITV Studios, Inc. (70)(j)	United States of America	100%
ITV2 Limited (1)(a)	United Kingdom	100%
Leftfield Entertainment, LLC (63)(h)	United States of America	100%
SDN Limited (1)(a)	United Kingdom	100%
12 Yard (North) Productions Limited (1)(a)	United Kingdom	100%
12 Yard Limited (1)(a)	United Kingdom	100%
12 Yard Productions (Investments) Limited (1)(a)	United Kingdom	100%
12 Yard Productions Limited (1)(a)	United Kingdom	100%
Back Productions Limited (7)(a)	United Kingdom	100%
BGSS Limited (1)(a)	United Kingdom	100%
Big Talk Bliss Limited (1)(a)	United Kingdom	100%
Big Talk Cold Feet Limited (1)(a)	United Kingdom	100%
Big Talk Diana Limited (1)(a)	United Kingdom	100%
Big Talk Investments Limited (1)(a)	United Kingdom	100%
Big Talk JL Limited (1)(a)	United Kingdom	100%
Big Talk Living the Dream Limited (1)(a)	United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Big Talk Pictures Limited (1)(a)	United Kingdom	100%
Big Talk Productions Limited (1)(a)	United Kingdom	100%
Broad Street Films Limited (1)(a)	United Kingdom	100%
Campania Limited (1)(a)(f)	United Kingdom	100%
Carbon Media Limited (1)(a)	United Kingdom	100%
Carlton Active Limited (1)(a)	United Kingdom	100%
Carlton Cinema Limited (1)(a)	United Kingdom	100%
Carlton Content Holdings Limited (1)(a)	United Kingdom	100%
Carlton Entertainment (1)(a)	United Kingdom	100%
Carlton Film Distributors Limited (1)(a)	United Kingdom	100%
Carlton Films Limited (1)(a)	United Kingdom	100%
Carlton Food Network Limited (1)(a)	United Kingdom	100%
Carlton Productions Limited (1)(a)	United Kingdom	100%
Carlton Programmes Development Limited (1)(a)	United Kingdom	100%
Carltonco Forty-Five Limited (1)(a)	United Kingdom	100%
Castlefield Properties Limited (1)(a) *	United Kingdom	100%
Cats on the Roof Media Limited (1)(a)	United Kingdom	100%
Central Television Limited (1)(a)	United Kingdom	100%
Channel Television Holdings Limited (1)(a)	United Kingdom	100%
Cosgrove Hall Films Limited (1)(a)	United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Denipurna Limited (1)(a)	United Kingdom	100%
DTV Limited (1)(a)	United Kingdom	100%
Electronic Rentals Group (1)(a)	United Kingdom	100%
EQ Pictures Limited (1)(a)	United Kingdom	100%
GIL Limited (1)(a)	United Kingdom	100%
Granada AV Solutions Limited (1)(a)	United Kingdom	100%
Granada Film (1)(a)	United Kingdom	100%
Granada Film Productions Limited (1)(a)	United Kingdom	100%
Granada Group Limited (1)(a)	United Kingdom	100%
Granada Limited (1)(a)*	United Kingdom	100%
Granada Media Limited (1)(a)(j)	United Kingdom	100%
Granada Productions Limited (1)(a)	United Kingdom	100%
Granada Properties (1)(a) *	United Kingdom	100%
Granada Screen (2005) Limited (1)(a)	United Kingdom	100%
Granada Television International (1)(a)	United Kingdom	100%
Granada Television Limited (1)(a)	United Kingdom	100%
Granada Television Overseas Limited (1)(a)	United Kingdom	100%
Granada Television Productions Limited (1)(a)	United Kingdom	100%
Granada UK Rental and Retail Limited (1)(a)(e)	United Kingdom	100%
Interactive Telephony Limited (1)(a)	United Kingdom	100%
International Television Enterprises London Limited (1)(a)(d)	United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

ITC Distribution (1)(a)	United Kingdom	100%
ITC Entertainment Group Limited (1)(a)	United Kingdom	100%
ITC Entertainment Holdings Limited (1)(a)	United Kingdom	100%
ITV (Scotland) Limited (30)(a)*	United Kingdom	100%
ITV Bancroft Limited (1)(a)	United Kingdom	100%
ITV Beowulf Limited (1)(a)	United Kingdom	100%
ITV Border Limited (1)(a)	United Kingdom	100%
ITV Breakfast Broadcasting Limited (1)(a)	United Kingdom	100%
ITV Breakfast Limited (1)(a)	United Kingdom	100%
ITV Breathless Limited (1)(a)	United Kingdom	100%
ITV Central Limited (1)(a)	United Kingdom	100%
ITV Channels Limited (1)(a)	United Kingdom	100%
ITV Cilla Limited (1)(a)	United Kingdom	100%
ITV Cradle Limited (1)(a)	United Kingdom	100%
ITV CS Limited (1)(a)	United Kingdom	100%
ITV DC Trustee Limited (1)(a)	United Kingdom	100%
ITV Enterprises Limited (1)(a)	United Kingdom	100%
ITV Global Content Limited (1)(a)	United Kingdom	100%
ITV HG Limited (1)(a)	United Kingdom	100%
ITV Home Fires Limited (1)(a)	United Kingdom	100%
ITV International Channels (Asia) Limited (1)(a)	United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

ITV J&H Limited (1)(a)	United Kingdom	100%
ITV Jericho Limited (1)(a)	United Kingdom	100%
ITV JR Limited (1)(a)	United Kingdom	100%
ITV Lewis Limited (1)(a)	United Kingdom	100%
ITV Little Boy Blue Limited (1)(a)	United Kingdom	100%
ITV Loch Ness Limited (1)(a)	United Kingdom	100%
ITV LTVC (Scotland) Limited (30)(a)*	United Kingdom	100%
ITV Lucan Limited (1)(a)	United Kingdom	100%
ITV Meridian Limited (1)(a)	United Kingdom	100%
ITV Moorside Limited (1)(a)	United Kingdom	100%
ITV Mr Selfridge Limited (1)(a)	United Kingdom	100%
ITV News Channel Limited (1)(a)(k)	United Kingdom	100%
ITV Pension Scheme Limited (1)(a)(b)	United Kingdom	100%
ITV Play Limited (1)(a)	United Kingdom	100%
ITV Productions Limited (1)(a)	United Kingdom	100%
ITV Shetland Limited (1)(a)	United Kingdom	100%
ITV Spirit Limited (1)(a)	United Kingdom	100%
ITV Sport Channel Limited (1)(a)**	United Kingdom	100%
ITV Studios (Israel) Limited (1)(a)	United Kingdom	100%
ITV Studios Newco 1 Limited (1)(a)	United Kingdom	100%
ITV Studios Newco 7 Limited (1)(a)	United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

ITV Supplementary Pension Scheme Limited (1)(a)	United Kingdom	100%
ITV T&B Limited (1)(a)	United Kingdom	100%
ITV Tennison Limited (1)(a)	United Kingdom	100%
ITV Text Santa Limited (1)(a)	United Kingdom	100%
ITV Thunderbirds Limited (1)(a)	United Kingdom	100%
ITV Top Class Limited (1)(a)	United Kingdom	100%
ITV Trauma Limited (1)(a)	United Kingdom	100%
ITV Tut Limited (1)(a)	United Kingdom	100%
ITV Ventures Limited (1)(a)	United Kingdom	100%
ITV Wagstaffe Limited (1)(a)	United Kingdom	100%
ITV Wales & West Group Limited (1)(a)	United Kingdom	100%
ITV Wales & West Limited (1)(a)	United Kingdom	100%
ITV3 Limited (1)(a)	United Kingdom	100%
ITV4 Limited (1)(a)	United Kingdom	100%
Juice Music UK Limited (1)(a)	United Kingdom	100%
Link Electronics Limited (1)(a)	United Kingdom	100%
London News Network (1)(a)	United Kingdom	100%
London Weekend Television Limited (1)(a)	United Kingdom	100%
LWT (Holdings) Limited (1)(a)(c)	United Kingdom	100%
LWT Productions Limited (1)(a)	United Kingdom	100%
Mammoth Screen (AR) Limited (1)(a)	United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Mammoth Screen (ATTWN) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (Bouquet) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (BW) Limited (26)(a)	United Kingdom	100%
Mammoth Screen (City) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (End) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (End2) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (End5) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (Falcon) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (Fearless) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (Monroe) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (NE) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (NI) Limited (35)(a)	United Kingdom	100%
Mammoth Screen (NW) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (OBI) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (PE) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (Pol2) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (Pol3) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (Pol4) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (Poldark) Limited (1)(a)	United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Mammoth Screen (QV) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (RM) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (WFTP) Limited (1)(a)	United Kingdom	100%
Mammoth Screen (WH) Limited (1)(a)	United Kingdom	100%
Mammoth Screen Ltd (1)(a)	United Kingdom	100%
Millbank Studios (1)(a)	United Kingdom	100%
Morning TV Limited (1)(a)	United Kingdom	100%
Moving Picture Company Films Limited (1)(a)	United Kingdom	100%
New Providence Productions Limited (1)(a)	United Kingdom	100%
Pickwick Packaging Limited (1)(a)	United Kingdom	100%
Sightseers Film Limited (1)(a)	United Kingdom	100%
SOM (ITV) Limited (1)(a)	United Kingdom	100%
So Television Developments Limited (1)(a)	United Kingdom	100%
So Television Limited (1)(a)	United Kingdom	100%
Television Music Limited (1)(a)	United Kingdom	100%
The CITV Channel Limited (1)(a)	United Kingdom	100%
The Garden Productions Limited (1)(a)	United Kingdom	100%
The London Studios Limited (1)(a)	United Kingdom	100%
UTV Limited (34)(a)	United Kingdom	100%
VOD Member (ITV A) Limited (1)(a)	United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

VOD Member (ITV B) Limited (1)(a)	United Kingdom	100%
Westcountry Television Limited (1)(a)	United Kingdom	100%
Yorkshire Television Limited (1)(a)	United Kingdom	100%
Yorkshire-Tyne Tees Television Enterprises Limited (1)(a)	United Kingdom	100%
Yorkshire-Tyne Tees Productions Limited (1)(a)	United Kingdom	100%
Zebedee Productions Limited (1)(a)	United Kingdom	100%
Artist Services Cable Pty Ltd (36)(a)	Australia	100%
Artist Services Investments Pty Limited (36)(a)	Australia	100%
Artist Services Productions Pty Ltd (36)(a)	Australia	100%
Granada Media International (Australia) Pty Ltd (36)(a)	Australia	100%
Granada Media Investments (Australia) Pty Ltd (36)(a)	Australia	100%
Granada Productions Pty Ltd (36)(a)	Australia	100%
ITV Services Pty Ltd (35)(a)	Australia	100%
ITV Studios Australia Pty Limited (35)(a)	Australia	100%
Totally Full Frontal Productions Pty Limited (36)(a)	Australia	100%
LTP Productions Inc (75)(j)	Canada	100%
Granada December Eight Limited (38)(a)	Cayman Islands	100%
Granada December Nine Limited (38)(a)	Cayman Islands	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

ITV Holdings (Cayman) Limited (39)(a)	Cayman Islands	100%
United Production ApS (42)(a)	Denmark	100%
ITV Studios Finland Oy (43)(a)	Finland	100%
ITV Studios France Holdings SAS (98)(a)	France	100%
ITV Studios, France SAS (44)(a)	France	100%
ITV Studios Germany GmbH (46)(a)	Germany	100%
ITV Studios Germany Holdings GmbH (46)(a)	Germany	100%
Talpa Germany Fiction GmbH (99)(a)	Germany	100%
Elécrent Insurance Limited (31)(a)	Guernsey	100%
ITV Global Entertainment (Hong Kong) Limited (49)(a)	Hong Kong	100%
Channel Television Limited (32)(a)	Jersey	100%
ITV London Properties Limited (33)(a)	Jersey	100%
ITV Properties (Jersey) Limited (33)(a)*	Jersey	100%
Voist Media B.V. (102)(a)	Netherlands	100%
ITV Studios Norway AS (76)(a)	Norway	100%
ITV Studios Nordic AB (77)(a)	Sweden	100%
ITV Studios Germany GmbH, Koln, Zweigniederlassung Zurich (78)(m)	Switzerland	100%
12 Yard Holdings, Inc. (70)(j)	United States of America	100%
Anglia Television, Inc. (70)(j)	United States of America	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Cardinal Productions of Ohio, Inc (63)(j)	United States of America	100%
Carlton Media Company, Inc. (63)(j)	United States of America	100%
Electric Farm Entertainment Holdings, Inc. (63)(j)	United States of America	100%
Granada Cracker US Productions (70)(j)	United States of America	100%
Granada Television International, Inc. (63)(j)	United States of America	100%
Hamdon Entertainment, Inc. (63)(j)	United States of America	100%
ITC Distribution, LLC. (63)(j)	United States of America	100%
ITC Entertainment Group, Inc. (63)(j)	United States of America	100%
ITC Films, LLC. (63)(j)	United States of America	100%
ITC Productions, LLC (63)(j)	United States of America	100%
ITV America Inc (63)(j)	United States of America	100%
ITV Believe Holding, Inc. (63)(j)	United States of America	100%
ITV Diga Holding, Inc. (63)(j)	United States of America	100%
ITV Entertainment Services Inc (63)(j)	United States of America	100%
ITV Global Entertainment, Inc. (63)(j)	United States of America	100%
ITV Gritty Holding Inc (63)(j)	United States of America	100%
ITV Gurney Holding, Inc. (63)(j)	United States of America	100%
ITV HN Holding, Inc. (63)(j)	United States of America	100%
ITV International Corporation (63)(j)	United States of America	100%
ITV Leftfield Holding, Inc. (63)(j)	United States of America	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

ITV New Form Holding Inc (63)(j)	United States of America	100%
ITV Popco Holding, Inc. (63)(j)	United States of America	100%
ITV SVOD Holding Inc, (63)(j)	United States of America	100%
ITV Thinkfactory Holding, Inc. (63)(j)	United States of America	100%
ITV Tomorrow Holding, Inc. (63)(j)	United States of America	100%
ITV US Holdings, Inc. (63)(j)	United States of America	100%
ITV US Productions, Inc. (63)(j)	United States of America	100%
JB Entertainment Holding Company, Inc. (63)(j)	United States of America	100%
Kirkstall Road Enterprises, Inc. (68)(j)	United States of America	100%
Leftfield Pictures of NY Holdings, LLC (63)(j)	United States of America	100%
Leftfield Pictures of NY, LLC (63)(j)	United States of America	100%
LWT Enterprises, Inc. (63)(j)	United States of America	100%
Over the Pond Productions, Inc. (63)(j)	United States of America	100%
Quay Street Enterprises, Inc. (63)(j)	United States of America	100%
So Television US, Inc. (70)(j)	United States of America	100%
Upper Ground Enterprises, Inc. (63)(j)	United States of America	100%
Planet 24 (43)(a)	Finland	100%
Carlton Home Entertainment Ireland Limited	Ireland	100%
ITV LTVC Scottish Limited Partnership (30)(h)	United Kingdom	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

ITV Scottish Limited Partnership (30)(h)	United Kingdom	100%
Chad Alan Productions, LLC (62)(h)	United States of America	100%
Double Down Films Holdings, LLC (63)(h)	United States of America	100%
Double Down Films, LLC (63)(h)	United States of America	100%
Electric Farm Entertainment LLC (63)(h)	United States of America	100%
Moving Pictures Services Inc (63)(h)	United States of America	100%
Oaklawn Pacific Properties, LLC (66)(h)	United States of America	100%
Roasters LLC (63)(h)	United States of America	100%
Sirens Media, LLC (63)(h)	United States of America	100%
Sirens Project 1203, LLC (63)(h)	United States of America	100%
Sirens Project 1223, LLC (63)(h)	United States of America	100%
Sirens Project 1226, LLC (63)(h)	United States of America	100%
Sirens Project 1227, LLC (63)(h)	United States of America	100%
Sirens Project 1301, LLC (63)(h)	United States of America	100%
Sirens Project 1303, LLC (63)(h)	United States of America	100%
Sirens Project 1309, LLC (63)(h)	United States of America	100%
Sirens Project 1316, LLC (63)(h)	United States of America	100%
Sirens Project 1326, LLC (63)(h)	United States of America	100%
Sirens Project 1408, LLC (63)(h)	United States of America	100%
Sirens Project 1410, LLC (63)(h)	United States of America	100%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Sirens Television Development, LLC (63)(h)	United States of America	100%
Sunshine Productions Holdings, LLC (63)(h)	United States of America	100%
Work Shop of NY, LLC (63)(h)	United States of America	100%
Jaffe/Braunstein Entertainment LLC (69)(h)	United States of America	100%
High Noon East LLC (71)(h)	United States of America	60%
High Noon Group LLC (71)(h)	United States of America	60%
High Noon Productions LLC (71)(h)	United States of America	60%
High Noon West LLC (71)(h)	United States of America	60%
Feeding Time Productions LLC (89)(h)	United States of America	61.5%
Hollywood Camera and Lighting (90)(h)	United States of America	61.5%
Gurney Productions LLC (70)(h)	United States of America	61.5%
RICMA LLC (65)(h)	United States of America	61.5%
Yukon RAFT Productions LLC (91)(h)	United States of America	61.5%
Brat Brigade LLC (73)(h)	United States of America	63.25%
Deep Gotham Post LLC (73)(h)	United States of America	63.25%
DGK 5 LLC (63)(h)	United States of America	63.25%
DIGA Holdings LLC (63)(h)	United States of America	63.25%
Diga Production Studios LLC (63)(h)	United States of America	63.25%
Diga LLC (63)(h)	United States of America	63.25%
Film Production Rentals LLC (70)(h)	United States of America	65%
Roasters LLC (63)(h)	United States of America	65%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Thinkfactory Group LLC (63)(h)	United States of America	65%
1016 Productions LLC (60)(h)	United States of America	75%
6565 Production Studios LLC (60)(h)	United States of America	75%
6565 Productions Studios 2 LLC (60)(h)	United States of America	75%
6565 Production Studios 3 LLC (60)(h)	United States of America	75%
6565 Productions Studios 4 LLC (60)(h)	United States of America	75%
All in Post LLC (60)(h)	United States of America	75%
Cheese String Studios LLC (72)(h)	United States of America	75%
In Reality Productions LLC (72)(h)	United States of America	75%
Gritty Productions LLC (63)(h)	United States of America	100%
East Olive Productions LLC (60)(h)	United States of America	75%
Twofour America LLC (70)(h)	United States of America	75%
Twofour Broadcast Media LLC (70)(h)	United States of America	75%
Age Before Beauty Limited (4)(a)	United Kingdom	75%
Aim Films Limited (3)(a)	United Kingdom	75%
Boom Cymru TV Ltd (5)(a)	United Kingdom	75%
Boom Pictures Limited (1)(a)	United Kingdom	75%
Cynhyrchiadu Boomerang Cyf (2)(a)	United Kingdom	75%
Double Double Limited (1)(a)	United Kingdom	75%
Gorilla TV Group Limited (5)(a)	United Kingdom	75%
Gorilla TV Limited (5)(a)	United Kingdom	75%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Indus Films Limited (2)(a)	United Kingdom	75%
ITV TFG Holdings Limited (1)(a)	United Kingdom	75%
Him Productions Limited (4)(a)	United Kingdom	75%
TwoFour Group Limited (3)(a)	United Kingdom	75%
TwoFour Broadcast Limited (3)(a)	United Kingdom	75%
TwoFour Group Holdings Limited (1)(a)	United Kingdom	75%
3sixtymedia Limited (1)(a)	United Kingdom	80%
Think Factory Productions Canada Ltd (80)(j)	Canada	65%
Imago TV Film und Fernsehproduktion GmbH (45)(a)	Germany	80%
Rangers Productions SRL (83)(a)	Mexico	65%
Eight Bells Productions LLC (63)(h)	United States of America	60%
What's the Business LLC (85)(h)	United States of America	60%
FT Productions LLC (63)(h)	United States of America	61.5%
Shirina LLC (63)(h)	United States of America	63.25%
Crew Ready Everywhere, LLC (63)(h)	United States of America	65%
Hatfield and McCoy Productions LLC (63)(h)	United States of America	65%
Highball Music Group, LLC (63)(h)	United States of America	65%
LG Films LLC (63)(h)	United States of America	65%
Marriage Boot Camp Reality Stars LLC (63)(h)	United States of America	65%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

MDQuartet LLC (63)(h)	United States of America	65%
Signal Post Facilities, LLC (63)(h)	United States of America	65%
Sound and Stage Studios LLC (63)(h)	United States of America	65%
Texas Rangers LLC (63)(h)	United States of America	65%
Thinkfactory Media LLC (87)(h)	United States of America	65%
Web Legal LLC (63)(h)	United States of America	65%
Westside Film Partners, LLC (63)(h)	United States of America	65%
Loud Television LLC (63)(h)	United States of America	75%
Next Steps Productions LLC (63)(h)	United States of America	75%
Outpost Entertainment LLC (63)(h)	United States of America	75%
TV Blumhouse Holding Inc	United States of America	75%
Cirkus Limited (13)(a)	United Kingdom	51%
Bait Studios Limited (5)(a)	United Kingdom	55%
Leftfield Ventures LLC (63)(j)	United States of America	100%
Possessed Limited (1)(a)	United Kingdom	51%
Second Act Productions Limited (1)(a)	United Kingdom	74.07%

Associates

Details of the associates as at 31 December 2016 are as follows:

Name of associate	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held 2016
Absolutely Rights Limited (6)(a)		United Kingdom	20%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

That Mitchell and Webb Company Limited (7)(a)	United Kingdom	20%
DTV Services Limited (17)(a)	United Kingdom	20%
Route 24 Limited (24)(a)	United Kingdom	24.9%
Monumental Television Limited (79)(a)	United Kingdom	24.92%
Channel Mum Limited (12)(a)	United Kingdom	25%
Clearcast Limited (14)(a)	United Kingdom	25%
Cirkus International Limited (13)(a)	United Kingdom	28%
Thinkbox TV Limited (23)(a)	United Kingdom	28.58%
Malacara Limited (2)(a)	United Kingdom	36.75%
Harlequin Agency Limited (5)(a)	United Kingdom	37.5%
Pink Rose Bud Limited (2)(a)	United Kingdom	37.5%
Mainstreet Arlington Productions Limited (4)(a)	United Kingdom	38.25%
Mainstreet Pictures Limited (4)(a)	United Kingdom	38.25%
Unforgotten2 Limited (4)(a)	United Kingdom	38.25%
Cloth Cat Animation Limited (5)(a)	United kingdom	41.25%
Cloth Cat LBB Limited (5)(a)	United Kingdom	41.25%
DTT Multiplex Operators Limited (17)(i)	United Kingdom	25%
Independent Television News Limited (20)(a)	United Kingdom	40%
Thud Media (5)(a)	United Kingdom	41.25%
OSF (Wales) Limited (5)(a)	United Kingdom	46.27%
Oxford Scientific Films Limited (5)(a)	United Kingdom	46.27%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

GC Films Pty Limited (36)(a)	Australia	49%
Pomper & Linders B.V (101)(a)	Netherlands	20%
Tomorrow ITV Studios LLC (63)(k)	United States of America	25%
Britbox LLC (92)(h)	United States of America	40.5%

Joint ventures

Details of the joint ventures as at 31 December 2016 are as follows:

Name of Joint-ventures	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held 2016
Bone Kickers Limited (1)(a)		United Kingdom	50%
Box Clever Technology Limited (8)(a)		United Kingdom	50%
British Film-Makers Limited (1)(a)		United Kingdom	50%
Digital 3 & 4 Limited (16)(a)		United Kingdom	50%
Freesat (UK) Limited (18)(a)		United Kingdom	50%
Gameface Productions Limited (1)(a)		United Kingdom	50%
Noho Film and Television Limited (28)(a)		United Kingdom	50%
Standard Music Limited (29)(a)		United Kingdom	50%
The Lab Television 2013 Limited Partnership (81)(a)		Israel	50%
Digital Production Partnership Limited (1)(i)		United Kingdom	50%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Producers Rights Agency Limited (25)(i)	United Kingdom	50%
BB Rights LLC (63)(h)	United States of America	50%
ITV Digital Holdings Limited (1)(a)	United States of America	50%

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Investment Address Key

- (1) The London Television Centre, Upper Ground, London, SE1 9LT, UK
- (2) 218 Penarth Road, Cardiff, CF11 8NN, UK
- (3) Twofour Studios, Estover, Plymouth, Devon, PL6 7RG, UK
- (4) Kingsbourne House, 229-231 High Holborn, London, WC1V 7DA, UK
- (5) Gloworks, Porth Teigr Way, Cardiff, Wales, CF10 4GA, UK
- (6) 18 Glasshouse Studios, Fryern Court Rd, Fordingbridge, Hampshire, SP6 1NG, UK
- (7) 26 Nassau Street, London, W1W 7AQ, UK
- (8) 5 New Street Square, London, EC4A 3TW, UK
- (9) 20 Cathedral Road, Cardiff, CF11 9LJ, UK
- (10) 9 Mansfield Street, London, W1M 9FH, UK
- (11) 20 Orange Street, 3rd Floor, London, WC2H 7EF, UK
- (12) 21 Hatton Gardens (Room 9), London EC1N 9BA, UK
- (13) The Met Building, 22 Percy Street, London, W1T 2BU, UK
- (14) 4 Roger Street, 2nd Floor, London, WC1X 2JX, UK
- (15) c/o Creative Skillset, 1-3 Grosvenor Place, Fifth floor (Suite 5B), London, SW1X 7HJ, UK
- (16) 124 Horseferry Road, London, SW1P 2TX, UK
- (17) 27 Mortimer Street, London, W1T 3JF, UK
- (18) 23-24 Newman Street, London, W1T 1PJ, UK
- (19) Unit 8 Acorn Production Centre, R/O 105 Blundell Street, London, N7 9BN, UK
- (20) 200 Gray's Inn Road, London, WC1X 8HF, UK
- (21) Clay Barn, Ipsley Court, Berrington Close, Redditch, Worcestershire, B98 0TD, UK
- (22) 10 Lower Thames Street, (Third Floor), London, EC3R 6YT, UK
- (23) Manning House, 22 Carlisle Place, London, SW1P 1JA, UK
- (24) York House, Empire Way, Wembley, Middlesex, HA9 0FQ, UK
- (25) Fitzrovia House, (3rd Floor), 153-157 Cleveland Street, London, W1T 6QW, UK
- (26) Round Foundry Media Centre, Foundry Street, Leeds, LS11 5QP, UK
- (27) c/o Archery Pictures, 3 Archery Close, London, W2 2BE, UK
- (28) 59 Charlotte Street, (Third Floor), London, W1T 4PE, UK
- (29) Roundhouse, 212 Regent's Park Road, London, NW1 8AW, UK
- (30) Quartermile One, 15 Lauriston Place, Edinburgh, EH3 9EP, Scotland
- (31) P.O. Box 308, St. Peter Port House, Union Street, St. Peter Port, GY1 3TA, Guernsey

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Investment Address Key (continued)

- (32) Le Capelain House, Castle Quay, St. Helier, JE2 3EH, Jersey
- (33) Ogier House, The Esplanade, St. Helier, JE4 9WG, Jersey
- (34) Ormeau Road, Belfast, BT7 1EB, Northern Ireland
- (35) 5 Cromac Avenue, The Gasworks, Belfast, BT7 2JA, Northern Ireland
- (36) Building 61, Fox Studios Australia, 38 Driver Avenue, Moore Park NSW 2021, Australia
- (37) c/o Addisons, Level 12, 60 Carrington Street, Sydney NSW 2000, Australia
- (38) Appleby Corporate Services (Cayman) Limited, Clifton House, 75 Fort Street, P.O. Box 190 GT, Georgetown, Grand Cayman, KY1-1108, Cayman Islands
- (39) c/o Appleby Trust (Cayman) Limited, Clifton House, 75 Fort Street, P.O. Box 1350, Georgetown, Grand Cayman, KY1-1108, Cayman Islands
- (40) Ugland House, P.O. Box 309, South Church Street, Georgetown, Grand Cayman, Cayman Islands
- (41) Mosedalvej 14, 2500, Valby, Copenhagen, Denmark
- (42) Finsensvej 6E, 2000, Frederiksberg, Denmark
- (43) Elimaenkatu 9 A, Helsinki, 00510, Finland
- (44) 23 Rue Montorgueil, 75001, Paris, France
- (45) Keplerstrasse 4-6, 10589, Berlin, Germany
- (46) Am Coloneum 6, 50829, Cologne, Germany
- (47) Jenfelder Allee 80, 22039, Hamburg, Germany
- (48) Room 1902, 19F Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong
- (49) Gloucester Tower (8th Floor), The Landmark, 11 Pedder Street, Central, Hong Kong
- (50) One Spencer Dock, North Wall Quay, Dublin 1, Ireland
- (51) Mayor Street Upper, Dublin, DUBLIN 1, Ireland
- (52) Burgemeester Stramanweg 97,c, 1191 EA, Ouderkerk aan de Amstel, Netherlands
- (53) Sumatrалаan 45, 1217 GP, Hilversum, Netherlands
- (54) Heemraadssingel 180, 3021 DL, Rotterdam, Netherlands
- (55) Hoogoorddreef 15, 1101 BA, Amsterdam, Netherlands
- (56) Noorderweg 8, 1221 AA, Hilversum, Netherlands
- (57) Zevenend 45, 1251 RL, Laren, North Holland, Netherlands
- (58) Voorstraat 61, 4797 BE, Willemstad, Netherlands
- (59) Herikerbergweg 238, 1101 CM, Amsterdam Zuidoost, Netherlands
- (60) 121 West Lexington Drive, Suite 401, Glendale CA 91203, USA
- (61) 1633 Bayshore Highway, Suite 320, Burlingame CA 94010, USA
- (62) 3867 Plaza Tower, 1st Floor, Baton Rouge, Los Angeles CA 70816, USA

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Investment Address Key (continued)

- (63) The Corporation Trust Company, Corporate Trust Center, 1209 Orange Street, Wilmington, Newcastle, DE 19801, USA
- (64) Corporation Service Company, 2711 Centreville Road (Suite 400), Wilmington, Newcastle DE 19808, USA
- (65) 8929 South Sepulveda Boulevard, Suite 510, Los Angeles, CA 90045, USA
- (66) The Corporation Trust Company, 311 South Division Street, Carston City NV 89703, USA
- (67) 450 North Roxbury Drive, 8th Floor, Beverly Hills CA 90210, USA
- (68) United Corporate Services, Inc., 874 Walker Road (Suite C), Dover, Kent, DE 19904, USA
- (69) 321 Souther Beverly Drive, Suite M, Beverly Hills, CA 90212, USA
- (70) CT Corporation System, 818 West Seventh Street, Suite 930, Los Angeles,
- (71) The Hodson Law Firm, 1129, East 17th Avenue, Denver, CO 80014, USA
- (72) 24955 Pacific Coast Highway, Suite C302, Malibu, CA 90265, USA
- (73) CT Corporation System, 111 Eighth Avenue, 13th Floor, New York, NY 10011, USA
- (74) 21 Holborn Viaduct, London, EC1A 2DY, UK
- (75) 120 West 3rd Avenue #201, Vancouver, BC VSY 1EG, Canada
- (76) Starvhusgaten 2A, Bergen, Norway
- (77) Soder Malarstrand 65, 11825, Stockholm, Sweden
- (78) Scharenmoosstrasse 105, 8052, Zurich, Switzerland
- (79) 9 St. Peters Street, London, N1 8JD, UK
- (80) Bucchil Goldstein LLP, 99 Atlantic Avenue, Suite 214, Toronto, M6K 3J8, Canada
- (81) 23 Habarzel Street, Tel Aviv, 69710, Israel
- (82) Via Enrico, Tazzoli 6, Rome, Italy

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Investment Address Key (continued)

- (83) Gonzales Carillo, SC Abogados, Montes Urales no 632, Piso 3, Lomas de Chapaltpec, DF 11000, Mexico
- (84) Building 2, Dubai Media City, Dubia, UAE
- (85) 3035 South Parker Road, Suite 500, Denver, CO 80014, USA
- (86) eResident Agent Inc. 12121 Wilshire Boulevard ~1201, Los Angeles, CA 90025, USA
- (87) 1640 South Sepulveda Boulevard, Suite 300, Los Angeles, CA 90025, USA
- (88) CT Corporation System, 306 Main Street, Suite 512, Frankfort, KY 40601, USA
- (89) CT Corporation System, 5615 Corporate Boulevard, Suite 400B, Baton Rouge, CA 70808, Los Angeles, USA
- (90) 24955 Pacific Coast Highway, Suite C302, Malibu, CA 90265, USA
- (91) Incorp Services Inc, 101 E. 9th Avenue, Suite 12-B, Anchorage, AK99501-3651, USA
- (92) 1120 Avenue of Americas, 5th Floor, New York, NY10036, USA
- (93) Familie de Mollaan 1, 1217 ZB Hilversum, Netherlands
- (94) 15000 Ventura Blvd, Suite 202, Sherman Oaks, CA 91403, USA
- (95) Westersingel 108, 3015 LD Rotterdam, Netherlands
- (96) 198A Telok Ayer Street, Singapore 068637
- (97) calle Cerro El Plomo 5855, oficina 1605, comuna de Las Condes, Region Metropolitana, Chile
- (98) 3 rue Taylor, CS 20004, 74010, Paris, France
- (99) Gethiner Strasse 5, 10785, Berlin, Germany
- (100) August-Bebel Strasse 58, 15711, Konigs Wusterhausen, Germany
- (101) Keizersgracht 149a, 1015CL, Amsterdam, Netherlands
- (102) Hollandse Kade 34, 1391JM, Abcoude, Netherlands

Interest key

- (a) Ordinary
- (b) Deferred
- (c) Special deferred
- (d) Redeemable preference
- (e) Cumulative preference
- (f) Cumulative redeemable preference
- (g) Convertible preference
- (h) Membership/Partnership
- (i) Guarantee
- (j) Common

ITV Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

27 Investments (continued)

Investment Address Key (continued)

(k) Preference

(l) Part preference

(m) Branch

* Direct subsidiary