

The Surrey Golf Company Limited

Annual report and financial statements
for the year ended 30 June 2009

Registered number: 2973803

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COMPANIES HOUSE

Directors and Officers

For the year ended 30 June 2009

Directors

The Surrey Golf Company Limited's ("the Company's") present Directors and those who served during the year are as follows:

D J Darroch

A J Griffith

Secretary

D J Gormley

Registered office

Grant Way

Isleworth

Middlesex

TW7 5QD

Auditors

Deloitte LLP

Chartered Accountants and Registered Auditors

London

United Kingdom

Directors' report

The Directors present their Annual Report on the affairs of the Company, together with the financial statements and Auditors' Report for the year ended 30 June 2009.

Business review and principal activities

The Company's principal activity during the year was the operation of a golf course and ancillary activities until the trade and assets were sold on 28 August 2008. The assets were written down and classified as held for sale in the prior year so there is minimal impact on current year financial statements. There is no intention to resume any similar or other activities.

The audited accounts for the year ended 30 June 2009 are set out on pages 7 to 22. The profit on ordinary activities after taxation for the year was £59,232 (2008: loss of £401,218). The Directors do not recommend the payment of a dividend for the year ended 30 June 2009 (2008: £nil).

Principal risks and uncertainties

The balance sheet of the Company is primarily intercompany balances and the Company is therefore exposed to credit risk on these balances. The intercompany balances of the Company are detailed in notes 10 and 12.

Credit risk

The Company's principal assets are intercompany balances. The Company's credit risk is primarily attributable to these balances.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company relies on the Group treasury function, which has access to an undrawn £1,000 million revolving credit facility and as of July 2010, when the £1,000 million facility expires, the Group treasury function will have access to a new £750 million facility to ensure ongoing liquidity.

The Directors do not believe the business is exposed to cash flow risk or price risk.

Directors

The Directors who served during the year are shown on page 1.

Going concern basis

The company ceased operations, following the sale of the company's trade and assets in August 2008. After making enquiries, the Directors have formed a judgement, at the time of approving the financial statements, that the Company is required to prepare accounts on a basis other than that of a going concern as further detailed in Note 1 of the accounts.

Directors' report

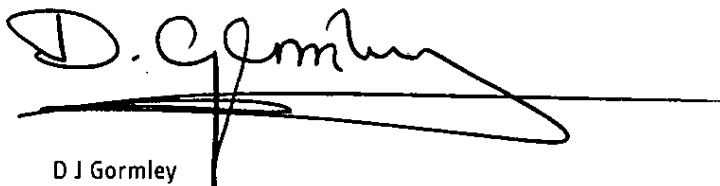
Auditors

In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who are Directors of the Company at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditors are unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information.

Deloitte LLP have expressed their willingness to continue as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board,

A handwritten signature in black ink, appearing to read 'D. Gormley', with a long horizontal line extending to the right.

D J Gormley
Director
Grant Way
Isleworth
Middlesex
TW7 5QD

13 November 2009

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 the affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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

Auditors' report

Independent Auditors' Report to the Members of The Surrey Golf Company Limited

We have audited the financial statements of The Surrey Golf Company Limited for the year ended 30 June 2009 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet, the Cash Flow Statement, and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2009 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Emphasis of matter-Going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of disclosures made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than going concern.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in note 1 to the financial statements, the company in addition to complying with IFRSs as adopted by the European Union, has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the financial statements comply with IFRSs as issued by the IASB.

Auditors' report (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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 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.



Timothy Powell (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditors

London

United Kingdom

13 November 2009

Income Statement

For the year ended 30 June 2009

Discontinued Operations	Notes	2009 £	2008 £
Revenue	2	131,825	563,066
Operating expense	3	(74,780)	(964,464)
Operating profit/(loss)		57,045	(401,398)
Investment income	4	2,187	4,109
Finance costs	4	-	(3,929)
Profit/(loss) before tax	5	59,232	(401,218)
Taxation	7	-	-
Profit/(loss) for the year		59,232	(401,218)

The accompanying notes form an integral part of this income statement.

As detailed in the Directors' Report, all business activities of the Company (being the operation of a golf course and ancillary activities) were sold during the year. All current year and prior year trading qualifies as discontinued operations under the criteria of IFRS 5 at the year end. In line with IFRS 5 requirements, all current year and prior year trading has therefore been classified as discontinued. All income and expenses presented above relates to discontinued operations.

Statement of Changes in Equity

For the year ended 30 June 2009

	Share capital	Retained earnings	Total shareholders' equity
	£	£	£
At 1 July 2007	2	(1,125,661)	(1,125,659)
(Loss) for the year	-	(401,218)	(401,218)
At 30 June 2008	2	(1,526,879)	(1,526,877)
Profit for the year	-	59,232	59,232
At 30 June 2009	2	(1,467,647)	(1,467,645)

The accompanying notes form an integral part of this Statement of Changes in Equity.

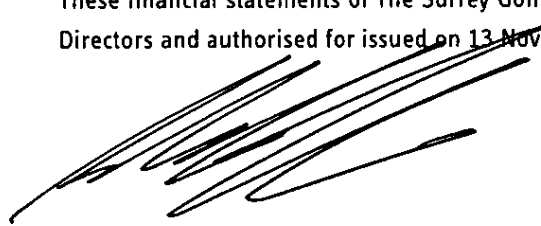
Balance Sheet

As at 30 June 2009

	Notes	2009 £	2008 £
Non-current assets			
Property, plant and equipment	8	-	-
Current assets			
Inventories	9	-	24,826
Trade and other receivables	10	2,032,061	260,088
Cash and cash equivalents		160,847	285,806
Non-current assets classified as held for sale	11	-	1,680,505
Total assets		2,192,908	2,251,225
Current liabilities			
Trade and other payables	12	3,660,553	3,778,102
Total liabilities		3,660,553	3,778,102
Share capital		2	2
Reserves		(1,467,647)	(1,526,879)
Shareholders' deficit		(1,467,645)	(1,526,877)
Total liabilities and shareholders' deficit		2,192,908	2,251,225

The accompanying notes form an integral part of this balance sheet.

These financial statements of The Surrey Golf Company Limited, registered number 2973803 were approved by the board of Directors and authorised for issued on 13 November 2009 .



A J Griffith

Director

13 November 2009

Cash Flow Statement

For the year ended 30 June 2009

Discontinued Operations	Notes	2009	2008
		£	£
Cash flows from operating activities			
Cash generated from operations	15	(123,443)	63,353
Interest received		2,187	4,109
Interest paid		-	(3,929)
Taxation paid		-	-
Net cash (used in)/from operating activities		(121,256)	63,533
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(66,852)
Sale of property, plant and equipment		1,700,661	-
Net cash used in investing activities		1,700,661	(66,852)
Cash flows from financing activities			
(Payments)/Receipts from loans to subsidiaries		(1,704,364)	98,873
Net cash from financing activities		(1,704,364)	98,873
Effect of foreign exchange rate changes		-	-
Net (decrease)/ increase in cash and cash equivalents		(124,959)	95,554
Cash and cash equivalents at the beginning of the year		285,806	190,252
Cash and cash equivalents at the end of the year		160,847	285,806

The accompanying notes form an integral part of this consolidated cash flow statement.

As detailed in the Directors' Report, all business activities of the Company (being the operation of a golf course and ancillary activities) have been sold during this financial year. All current year and prior year trading qualifies as discontinued operations under the criteria of IFRS 5 at the year end. In line with IFRS 5 requirements, all current year and prior year cash flows have therefore been classified as relating to discontinued operations. All cash flows presented above relate to discontinued operations.

All cash flows associated with the sale of the business activities have been disclosed in the cash flow statement as net cash used in investing activities.

Notes to financial statements

1. Accounting policies

The Surrey Golf Company Limited (the "Company") is a limited liability company incorporated in Great Britain and registered in England and Wales, and domiciled in the United Kingdom ("UK").

a) Statement of compliance

These financial statements are prepared in accordance with IFRSs (including International Accounting Standards ("IAS") and interpretations issued by the International Accounting Standards Board ("IASB") and its committees) as adopted for use in the European Union ("EU"), the Companies Act 2006 and as issued by the IASB.

b) Basis of preparation

As explained in the Directors' Report, the Company has ceased its operations of a golf course and ancillary activities. The Company decided in the year to sell all the assets of the business as a going concern and thereby cease the activity of the Company. In preparing the financial statements, the Directors have adopted a basis other than that of a going concern basis as explained in the Directors Report. This includes, where appropriate, writing down the Company's assets to net realisable value. Provision has also been made for any onerous financial commitments at the balance sheet date. The financial statements do not include any provision for future costs of terminating the business of the Company except to the extent that such were committed at the balance sheet date.

The Company maintains a 52 or 53 week fiscal year ending on the Sunday nearest to 30 June in each year. In fiscal year 2009 this date was 28 June 2009, this being a 52 week year (fiscal year 2008: 29 June 2008, 52 week year; fiscal year 2007: 1 July 2007, 52 week year). For convenience purposes, the Company continues to date its financial statements as of 30 June.

c) Inventories

Finished goods are valued at the lower of cost or net realisable value. The cost of finished goods is recognised through the operating expenses line of the income statement on a FIFO basis.

d) Financial assets and liabilities

Financial assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. At each balance sheet date, the Company assesses whether there is any objective evidence that any financial asset is impaired. Financial assets and liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the financial asset or liability. Financial assets are derecognised from the balance sheet when the Company's contractual rights to the cash flows expire or the Company transfers substantially all the risks and rewards of the financial asset. Financial liabilities are derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Notes to financial statements

1. Accounting policies (continued)

i. Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments and are measured at amortised cost using the effective interest method. Trade and other receivables, with no stated interest rate, are measured at the original invoice amount if the effect of discounting is immaterial. An allowance account is maintained to reduce the carrying value of trade and other receivables for impairment losses identified from objective evidence, with movements in the allowance account, either from increased impairment losses or reversals of impairment losses, being recognised in the income statement.

ii. Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank accounts, deposits receivable on demand and deposits with maturity dates of three months or less from the date of inception. Bank overdrafts that are repayable on demand and which form an integral part of the Company's cash management are included as a component of cash and cash equivalents where offset conditions are met.

iii. Trade and other payables

Trade and other payables are non-derivative financial liabilities and are measured at amortised cost using the effective interest method. Trade and other payables, with no stated interest rate, are measured at the original invoice amount if the effect of discounting is immaterial.

e) Revenue recognition

Revenue, which excludes value added tax, represents the gross inflow of economic benefit from the Company's operating activities. Revenue is measured at the fair value of the consideration received or receivable. The Company's main sources of revenue are recognised as follows:

- membership income is recognised evenly over the period of membership; and
- revenue generated from sales is recognised when the sale takes place.

f) Employee benefits

Wages, salaries and social security contributions

Wages, salaries, social security contributions, bonuses payable and non-monetary benefits for current employees are recognised in the income statement as the employees' services are rendered.

Pension obligations

The Company provides pensions to eligible employees through defined contribution schemes. The amount charged to the income statement in the year represents the cost of contributions payable by the Company to the scheme in exchange for employee services rendered in that year. The assets of the schemes are held independently of the Company.

Notes to financial statements

1. Accounting policies (continued)

f) Employee benefits (continued)

Termination benefits

Termination benefits are recognised as a liability when, and only when, the Company has a demonstrable commitment to terminate the employment of an employee or group of employees before the normal retirement date or as the result of an offer to encourage voluntary redundancy.

g) Taxation, including deferred taxation

The Company's liability for current tax is based on taxable profits for the year, and is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Temporary differences arising from goodwill and the initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit are not provided for. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will 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, using tax rates that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and adjusted to reflect an amount that is "probable" to be realised based on the weight of all available evidence. Deferred tax is calculated at the rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax assets and liabilities are not discounted. Deferred tax is charged or credited in the income statement, except where it relates to items charged or credited directly to equity, in which case the deferred tax is also included within equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The standard rate of corporation tax changed from 30% to 28% in the UK with effect from 1 April 2008.

h) Critical accounting policies

Certain accounting policies are considered to be critical to the Company. An accounting policy is considered to be critical if its selection or application materially affects the Company's financial position or results. The Directors are required to use their judgement in order to select and apply the Company's critical accounting policies. Below is a summary of the Company's critical accounting policies and details of the key areas of judgement that are exercised in their application.

Notes to financial statements

1. Accounting policies (continued)

i. Revenue Recognition

Revenue, which excludes value added tax, represents the gross inflow of economic benefit from the Company's operating activities. Revenue is measured at the fair value of the consideration received or receivable. Judgement is required when evaluating when to recognise revenue.

ii. Taxation

Tax laws that apply to the Company's business may be amended by the relevant authorities, for example, as a result of changes in fiscal circumstances or priorities. Such potential amendments and their application to the Company are regularly monitored and the requirement for recognition of any liabilities assessed where necessary.

The Company is subject to income taxes and judgement is required in determining the appropriate provision for transactions where the ultimate tax determination is uncertain. In such circumstances, the Company recognises liabilities for anticipated taxes due based on the best information available and where the anticipated liability is probable and estimable. Where the final outcome of such matters differs from the amounts initially recorded, any differences will impact the income tax and deferred tax provisions in the period to which such determination is made. Where the potential liabilities are not considered probable, the amount at risk is disclosed unless an adverse outcome is considered remote.

iii. Deferred Taxation

An estimation of the current tax liability together with an assessment of the temporary differences which arise as a consequence of different tax and accounting treatments is required. Assumptions are made around the extent to which it is probable that future taxable profit will be available against which the temporary differences can be utilised and deferred tax assets are recognised at the balance sheet date based on these assumptions.

iv. Receivables

Judgement is required in evaluating the likelihood of collection of debt, including intercompany debt. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles.

Notes to financial statements

1. Accounting policies (continued)

i) Accounting standards, interpretations and amendments to published standards not yet effective

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for our accounting periods beginning on or after 1 July 2009, or later periods.

These new standards are listed below:

- IFRIC 8 "Operating Segments" (effective 1 January 2009)
- IFRIC 17 "Distribution of Non-Cash Assets to Owners" (effective 1 July 2009)
- IFRIC 18 "Transfers of Assets to Customers" (effective 1 July 2009)
- Revision to IAS 1 "Presentation of Financial Statements" (effective 1 January 2009)
- Amendments to IAS 23 "Borrowing Costs" (effective 1 January 2009)
- Revision to IFRS 3 "Business Combinations" (effective 1 July 2009)
- Revision to IAS 27 "Consolidated and Separate Financial Statements" (effective 1 July 2009)
- Amendment to IFRS 2 "Share-Based Payment" (effective 1 January 2009)
- Amendment to IFRS 5 "Non-current Assets Held for Sale and "Discontinued Operations" (effective 1 July 2009)
- Amendments to IAS 28 "Investment in Associates" (effective 1 January 2009)
- Amendment to IAS 32 "Financial Instruments: Presentation" (effective 1 January 2009)
- Amendments to IAS 38 "Intangible Assets" (effective 1 January 2009)
- Amendment to IAS 39 "Financial Instruments: Recognition and Measurement" (effective 1 January 2009)

The Directors are currently evaluating the impact of the adoption of these standards, amendments and interpretations in future periods.

2. Revenue

Revenue arises from the Company's sole class of business, being the operation of a golf course and ancillary activities, and arises wholly within the United Kingdom.

All income, in both the current year and the prior year, relate to discontinued operations.

The Company does not have any separable business segments.

Notes to financial statements

3. Operating expenses

All expenses, in both the current year and the prior year, relate to discontinued operations.

	2009	2008
	£	£
Administration	94,937	634,976
Gain on disposal of property, plant and equipment	(20,157)	-
Movement in fair value of non-current assets (see note 12)	-	329,448
	74,780	964,464

4. Investment income and finance costs

All income and expenses, in both the current year and the prior year, relate to discontinued operations.

	2009	2008
	£	£
Investment income		
Interest receivable	2,187	4,109
Finance costs		
Interest payable	-	3,929
	2,187	180

5. Profit/(loss) before taxation

All income and expenses, in both the current year and the prior year, relate to discontinued operations.

Profit/(loss) before taxation is stated after charging:

	2009	2008
	£	£
Cost of inventories recognised as an expense	16,928	82,740
Depreciation of property, plant and equipment	3,460	37,958
Interest on finance leases	-	3,929

Audit fees

Amounts paid to the auditors for audit services of £10,500 (2008: £6,250) were borne by another Group subsidiary in 2009 and 2008. No amounts for other services have been paid to the auditors.

Notes to financial statements

6. Employee benefits and key management compensation

All expenses, in both the current year and the prior year, relate to discontinued operations.

a) Employee benefits for the Company during the year

	2009	2008
	£	£
Wages and salaries	40,339	217,472
Social security costs	4,187	13,340
Contributions to the BSkyB Pension Plan ("the Pension Plan") (i)	228	1,468
	44,754	232,280

(i) The Company operates a defined contribution pension scheme through the Pension Plan. The pension charge for the year represents the cost of contributions payable by the Company to the schemes during the year. The Company's amount payable to the schemes at 30 June 2009 was £nil (2008: £166).

The average monthly number of full-time equivalent persons (including temporary employees) employed by the Company during the year was 10 until the date of sale, subsequently nil (2008: 12).

b) Directors emoluments

The Directors received no remuneration in the year in respect of their services to the Company (2008: £nil).

7. Taxation

All expenses, in both the current year and the prior year, relate to discontinued operations. There was no tax charge for the year (2008: nil)

Reconciliation of total tax charge

The tax charge for the year is lower (2008 charge: lower) than the standard rate of corporation tax in the UK (28%) applied to profit/(loss) before tax. The differences are explained below:

	2009	2008
	£	£
Profit/(loss) before tax	59,232	(401,218)
Profit/(loss) before tax multiplied by the standard rate of corporation tax in the UK of 28% (2008: 29.5%)	16,585	(118,359)
Effects of:		
Movement in deferred tax asset not recognised	-	3,142
Profit on disposal	(40,298)	-
Other permanent differences	33,761	103,408
Movement on short term timing differences	(1,964)	-
Depreciation in excess of capital allowances	969	-
Group relief claimed for nil consideration	(9,053)	11,809
Taxation	-	-

There are no unrecognised deferred tax liabilities.

A deferred tax asset of £nil (2008: £22,027) arising from timing differences has not been recognised.

Notes to financial statements

8. Property, plant and equipment

	Land and freehold buildings (i)	Leasehold improvements	Equipment, furniture and fittings	Total
	£	£	£	£
Cost				
At 1 July 2007	3,083,774	7,999	206,074	3,297,847
Additions	-	-	66,852	66,852
Reclassification to assets held for sale	(3,083,774)	(7,999)	(272,926)	(3,364,699)
At 30 June 2008	-	-	-	-
At 30 June 2009	-	-	-	-
Depreciation				
At 1 July 2007	1,107,626	7,999	201,123	1,316,748
Depreciation	-	-	37,958	37,958
Reclassification to assets held for sale	(1,107,626)	(7,999)	(239,081)	(1,354,706)
At 30 June 2008	-	-	-	-
At 30 June 2009	-	-	-	-
Carrying amounts				
At 1 July 2007	1,976,148	-	4,951	1,981,099
At 30 June 2008	-	-	-	-
At 30 June 2009	-	-	-	-

9. Inventories

	2009	2008
	£	£
Finished goods	-	24,826

Notes to financial statements

10. Trade and other receivables

	2009	2008
	£	£
Amounts receivable from other Group companies	2,032,061	231,123
Prepayments	-	26,420
Other receivables	-	2,545
	2,032,061	260,088

The Directors consider that the carrying amount of trade and other receivables approximates to their fair values.

No interest is charged on amounts due from other Group companies or subsidiaries, which are repayable on demand.

No allowances have been recorded against amounts receivable from Group companies as they have been assessed to be fully recoverable. Within the Group, there is a concentration of risk within amounts receivable from other Group companies.

11. Non-current assets – Assets held for sale

	2009
	£
At 1 July 2007	-
Reclassified from property, plant and equipment	2,009,993
Fair value movement in year	(329,488)
At 30 June 2008	1,680,505
Depreciation in year	-
Sold in year	(1,680,505)
At 30 June 2009	-

Non-current assets held for sale comprise land and freehold buildings, leasehold improvements and equipment, furniture and fittings. The Company sold all the non-current assets, inventories and the trade of the Company during this financial year for a consideration of £1,680,505.

Notes to financial statements

12. Trade and other payables

	2009	2008
	£	£
Trade payables	-	31,189
Amounts payable to other Group companies	3,660,553	3,563,979
Other taxation and social security	-	4,316
VAT	-	20,749
Accruals	-	78,675
Deferred income	-	53,691
Other payables	-	25,503
	3,660,553	3,778,102

The Directors consider that the carrying amount of trade and other payables approximates to their fair values.

No interest is charged on amounts due to other Group companies or subsidiaries, which are repayable on demand.

13. Financial risk management objectives and policies

The accounting classification of each class of the Company's financial assets and financial liabilities, together with their fair values, is as follows.

	Loans and receivables	Other liabilities	Total carrying value	Total fair values
	£	£	£	£
At 30 June 2008				
Trade and other payables	-	(3,678,678)	(3,678,678)	(3,678,678)
Trade and other receivables	233,668	-	233,668	233,688
Cash and cash equivalents	285,806	-	285,806	285,806
At 30 June 2009				
Trade and other payables	-	(3,660,553)	(3,660,553)	(3,660,553)
Trade and other receivables	2,032,061	-	2,032,061	2,032,061
Cash and cash equivalents	160,847	-	160,847	160,847

The Directors consider that the carrying amount of financial assets and liabilities at 30 June 2009 and 30 June 2008 approximates to their fair value.

The Company's principal market risk is liquidity risk, which arises both from the Company's intercompany balances and from its operations.

Notes to financial statements

13. Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is managed on behalf of the Company by the Group treasury function of British Sky Broadcasting Group Plc, of which the Company forms a part. The Group has access to an undrawn £1,000 million rolling credit facility to ensure ongoing liquidity. This facility expires in 2010. The Company's financial liabilities are shown in note 13.

Credit risk

The following table analyses the Company's non-derivative financial liabilities, net-settled derivative financial instruments and gross-settled financial instruments into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 12 months	Between one and two years	Between two and five years	More than 5 years
	£	£	£	£
At 30 June 2008				
Trade and other payables	(3,778,102)	-	-	-
At 30 June 2009				
Trade and other payables	(3,660,553)	-	-	-

Capital risk management

The capital structure of the Company consists of equity attributable to equity holders of the parent company, comprising issued capital, reserves and retained earnings.

Risk and treasury management is governed by British Sky Broadcasting Group plc's policies approved by its board of directors.

Additional information

At 30 June 2009, the carrying value of financial assets that were, upon initial recognition, designated as financial assets at fair value through profit or loss, was £nil (2008: £nil).

Notes to financial statements

14. Share capital

	2009	2008
	£	£
Authorised		
100 (2008: 100) ordinary shares of £1 each	100	100
Allotted, called-up and fully paid		
2 (2008: 2) ordinary shares of £1 each	2	2

15. Notes to the Cash Flow Statement

Reconciliation of (loss)/profit before taxation to cash generated from operations

	2009	2008
	£	£
Profit/(loss) before taxation	59,232	(401,218)
Depreciation of property, plant and equipment	-	37,958
Gain on disposal of discontinued operations	(20,157)	-
Movement in fair value of non-current assets	-	329,488
Investment income	(2,187)	(4,109)
Finance costs	-	3,929
	36,888	(33,952)
Decrease in trade and other receivables	28,966	28,199
Decrease/(increase) in inventories	24,826	(1,838)
(Decrease)/increase in trade and other payables	(214,123)	70,944
Cash generated from operations	(123,443)	63,353

16. Transactions with group undertakings

The Company has related party transactions with other Group companies. In particular, it is normal practice for the Company to borrow cash from other Group companies as required. For details of amounts owed to and from other Group companies, see notes 10 and 12. All amounts payable to other Group companies are non-interest bearing and repayable on demand.

17. Ultimate parent undertaking

The Company is a wholly-owned subsidiary undertaking of British Sky Broadcasting Group plc, a company incorporated in Great Britain and registered in England and Wales. The Company is ultimately controlled by British Sky Broadcasting Group plc. The only group in which the results of the Company are consolidated is that headed by BSkyB.

The consolidated accounts of the Group are available to the public and may be obtained from the Company Secretary, British Sky Broadcasting Group plc, Grant Way, Isleworth, Middlesex TW7 5QD.

Sports Internet Group Limited

**Annual report and financial statements
for the year ended 30 June 2009**

Registered number: 3712991

Directors and Officers

For the year ended 30 June 2009

Directors

Sports Internet Group Limited's ("the Company's") present Directors and those who served during the year are as follows:

D J Darroch

A J Griffith

Secretary

D J Gormley

Registered office

Grant Way

Isleworth

Middlesex

TW7 5QD

Auditors

Deloitte LLP

Chartered Accountants and Registered Auditors

London

United Kingdom

Directors' report

The Directors present their Annual Report on the affairs of the Company, together with the financial statements and Auditors' Report for the year ended 30 June 2009.

Business review and principal activities

The Company's principal activity during the year was that of a holding company. The directors expect this activity to continue for the foreseeable future.

The audited accounts for the year ended 30 June 2009 are set out on pages 7 to 19. The loss for the year was £13,242 (2008: £21,257,678). The directors do not recommend the payment of a dividend for the year ended 30 June 2009 (2008: £nil).

Principal risks and uncertainties

Liquidity risk

The Company's activities expose it to liquidity risk.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company relies on the Group treasury function, which has access to an undrawn £1,000 million revolving credit facility and as of July 2010, when the £1,000 million facility expires, the Group treasury function will have access to a new £750 million facility to ensure ongoing liquidity.

Credit risk

The Company's principal assets are intercompany balances. The Company's credit risk is primarily attributable to these balances.

Other risks

The Directors do not believe the business is exposed to cash flow risk or price risk or any risk of impairment to its investments.

Directors

The Directors who served during the year are shown on page 1.

Going Concern Basis

After making enquiries, the directors have formed a judgment at the time of approving the financial statements that the company will have access to adequate resources to continue in existence for the foreseeable future. In making this decision the directors have considered the net current liability position of the Company, and confirmation received from BSKyB Finance Limited and BSKyB Limited that, for a period of 12 months from the date of signing these financial statements, it will not demand payment of any amounts owed to it by the Company where such repayment would prevent the Company from continuing to settle its third party liabilities as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Auditors

In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who are Directors of the Company at the date of approval of this report confirms that:

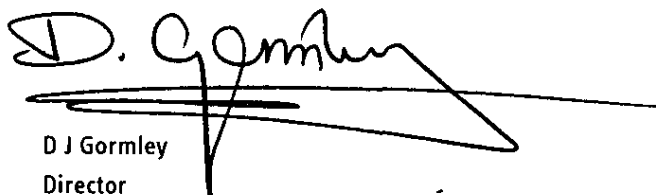
- so far as the Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditors are unaware; and

Directors' report

- the Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information.

Deloitte LLP have expressed their willingness to continue as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board,

A handwritten signature in black ink, appearing to read 'D. Gormley', with a long horizontal stroke extending to the right.

D J Gormley
Director
Grant Way
Isleworth
Middlesex
TW7 5QD

13 November 2009

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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

Auditors' report

Independent Auditors' Report to the Members of Sports Internet Group Limited

We have audited the financial statements of Sports Internet Group Limited for the year ended 30 June 2009 which comprise the Income Statement, the Statement of Changes in Equity and the Balance Sheet and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with sections 495 and 496 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; the overall presentation of the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view of the Company's affairs as at 30 June 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Separate opinion in relation to IFRSs as issued by the IASB

As explained in note 1 to the financial statements, the company in addition to complying with its legal obligation to apply IFRSs as adopted by the European Union, has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the Company financial statements comply with IFRSs as issued by the IASB.

Opinion on other matter prescribed by the Companies Act 2006

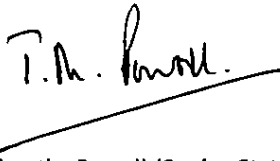
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Auditors' report

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 the directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Timothy Powell (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London

13 November 2009

Income Statement

For the year ended 30 June 2009

	Notes	2009 £	2008 £
Operating expense	2	(13,242)	(21,257,678)
Operating loss		(13,242)	(21,257,678)
Loss before tax	3	(13,242)	(21,257,678)
Taxation	5	-	-
Loss for the year		(13,242)	(21,257,678)

The accompanying notes are an integral part of this income statement. All results relate to continuing operations.

Statement of Changes in Equity

For the year ended 30 June 2009

	Share capital £	Share premium £	Retained earnings £	Total shareholders' equity £
At 1 July 2007	1,921,615	30,410,379	(28,064,912)	4,267,082
Loss for the year	-	-	(21,257,678)	(21,257,678)
At 30 June 2008	1,921,615	30,410,379	(49,322,590)	(16,990,596)
Loss for the year	-	-	(13,242)	(13,242)
At 30 June 2009	1,921,615	30,410,379	(49,335,832)	(17,003,838)

The accompanying notes form an integral part of this Statement of Changes in Equity.

Balance Sheet

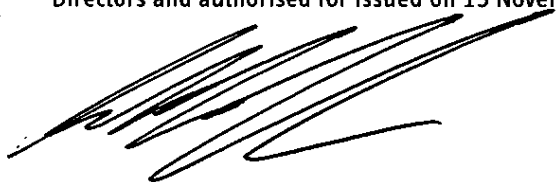
As at 30 June 2009

	Notes	2009 £	2008 £
Non-current assets			
Fixed asset investments	6	1,079,986	1,079,986
		1,079,986	1,079,986
Current assets			
Trade and other receivables	7	18,398,951	18,407,421
Total assets		19,478,936	19,487,407
Current liabilities			
Trade and other payables	8	36,482,773	36,478,003
Total liabilities		36,482,773	36,478,003
Share capital	10	1,921,615	1,921,615
Share premium		30,410,379	30,410,379
Reserves		(49,335,832)	(49,322,590)
Shareholders' deficit attributable to equity shareholders		(17,003,838)	(16,990,596)
Total liabilities and shareholders' deficit		19,478,936	19,487,407

The accompanying notes are an integral part of this balance sheet.

As at 30 June 2009 and 30 June 2008 the Company did not hold any cash or cash equivalents. Accordingly a cash flow statement has not been presented. A reconciliation of profit before taxation to cash generated from operations is given in note 11.

These financial statements of Sports Internet Group Limited, registered number 3712991 were approved by the Board of Directors and authorised for issued on 13 November 2009.



A J Griffith
Director

13 November 2009

Notes to financial statements

1. Accounting policies

Sports Internet Group Limited (the "Company") is a limited liability company incorporated in Great Britain and registered in England and Wales, and domiciled in the United Kingdom ("UK").

a) Statement of compliance

These financial statements are prepared in accordance with IFRSs (including International Accounting Standards ("IAS") and interpretations issued by the International Accounting Standards Board ("IASB") and its committees) as adopted for use in the European Union ("EU"), the Companies Act 2006 and as issued by the IASB.

b) Basis of preparation

The financial statements have been prepared on an historical cost basis, except for the remeasurement to fair value of financial instruments as described in the accounting policies below. The accounts have been prepared on a going concern basis.

The Company maintains a 52 or 53 week fiscal year ending on the Sunday nearest to 30 June in each year. In fiscal year 2009 this date was 28 June 2009, this being a 52 week year (fiscal year 2008: 29 June 2008, 52 week year; fiscal year 2007: 1 July 2007, 52 week year). For convenience purposes, the Company continues to date its financial statements as at 30 June.

The Company has taken advantage of the exemption from preparing the consolidated accounts afforded by section 400 of the Companies Act 2006, because it is a wholly-owned subsidiary of BSkyB which prepares consolidated accounts which are publicly available (see note 14).

c) Financial assets and liabilities

Financial assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. At each balance sheet date, the Company assesses whether there is any objective evidence that any financial asset is impaired. Financial assets and liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the financial asset or liability. Financial assets are derecognised from the balance sheet when the Company's contractual rights to the cash flows expire or the Company transfers substantially all the risks and rewards of the financial asset. Financial liabilities are derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

i. Equity investments

Equity investments intended to be held for an indefinite period of time are classified as available for sale investments. They are carried at fair value, where this can be reliably measured, with movements in fair value recognised directly in reserves. Where the fair value cannot be reliably measured, the investment is carried at cost. Any impairment losses in equity investments are recognised in the income statement and are not reversible under any circumstances. Available for sale investments are included within non-current assets unless management have the intention of holding the investment for less than twelve months from the balance sheet date, in which case they are included in current assets. On disposal, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had previously been recognised directly in reserves is recognised in the income statement.

Notes to financial statements

1. Accounting policies (continued)

ii. Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments and are measured at amortised cost using the effective interest method. Trade and other receivables, with no stated interest rate, are measured at the original invoice amount if the effect of discounting is immaterial. An allowance account is maintained to reduce the carrying value of trade and other receivables for impairment losses identified from objective evidence, with movements in the allowance account, either from increased impairment losses or reversals of impairment losses, being recognised in the income statement.

iii. Trade and other payables

Trade and other payables are non-derivative financial liabilities and are measured at amortised cost using the effective interest method. Trade and other payables, with no stated interest rate, are measured at the original invoice amount if the effect of discounting is immaterial.

d) Impairment

At each balance sheet date, and in accordance with IAS 36 "Impairment of Assets", the Company reviews the carrying amounts of all its assets excluding financial assets (see accounting policy c) and deferred taxation (see accounting policy g) to determine whether there is any indication that any of those assets have suffered an impairment loss.

An impairment is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price, defined as the fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

An impairment loss for an individual asset shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Any impairment loss in respect of goodwill is irreversible.

e) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation to make a probable transfer of economic benefits as a result of past events. The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the balance sheet date. Provisions are discounted if the effect of the time value of money is material using a market rate adjusted for risks specific to the liability.

Notes to financial statements

1. Accounting policies (continued)

f) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other leases are classified as operating leases.

The Company as lessee

The lease expense arising from operating leases is charged to the income statement on a straight-line basis over the term of the lease, unless another systematic basis is more appropriate. Benefits received and receivable as incentives to enter into operating leases are recorded on a straight-line basis over the lease term.

g) Taxation, including deferred taxation

The Company's liability for current tax is based on taxable profits for the year, and is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Temporary differences arising from goodwill and the initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit are not provided for. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will 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, using tax rates that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and adjusted to reflect an amount that is probable to be realised based on the weight of all available evidence. Deferred tax is calculated at the rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax assets and liabilities are not discounted. Deferred tax is charged or credited in the income statement, except where it relates to items charged or credited directly to equity, in which case the deferred tax is also included within equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The standard rate of corporation tax changed from 30% to 28% in the UK with effect from 1 April 2008.

h) Investments in subsidiaries

Investments in subsidiary undertakings are stated at cost. Provision is made for any impairment in value.

Notes to financial statements

i) Critical accounting policies

Certain accounting policies are considered to be critical to the Company. An accounting policy is considered to be critical if its selection or application materially affects the Company's financial position or results. The Directors are required to use their judgement in order to select and apply the Company's critical accounting policies. Below is a summary of the Company's critical accounting policies and details of the key areas of judgement that are exercised in their application.

i. Taxation

Tax laws that apply to the Company's business may be amended by the relevant authorities, for example, as a result of changes in fiscal circumstances or priorities. Such potential amendments and their application to the Company are regularly monitored and the requirement for recognition of any liabilities assessed where necessary.

The Company is subject to income taxes and judgement is required in determining the appropriate provision for transactions where the ultimate tax determination is uncertain. In such circumstances, the Company recognises liabilities for anticipated taxes due based on the best information available and where the anticipated liability is probable and estimable. Where the final outcome of such matters differs from the amounts initially recorded, any differences will impact the income tax and deferred tax provisions in the period to which such determination is made. Where the potential liabilities are not considered probable, the amount at risk is disclosed unless an adverse outcome is considered remote.

ii. Deferred Taxation

An estimation of the current tax liability together with an assessment of the temporary differences which arise as a consequence of different tax and accounting treatments is required. Assumptions are made around the extent to which it is probable that future taxable profit will be available against which the temporary differences can be utilised and deferred tax assets are recognised at the balance sheet date based on these assumptions.

iii. Receivables

Judgement is required in evaluating the likelihood of collection of debt, including intercompany debt. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles.

j) Accounting standards, interpretations and amendments to published standards not yet effective

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for our accounting periods beginning on or after 1 July 2009 or later periods.

These new standards are listed below:

- IFRIC 8 "Operating Segments" (effective 1 January 2009)
- IFRIC 17 "Distributions of Non Cash Assets to Owners" (effective 1 July 2009)
- IFRIC 18 "Transfers to Assets to Customers" (effective 1 July 2009)
- Revision to IAS 1 "Presentation of Financial Statements" (effective 1 January 2009)
- Amendments to IAS 23 "Borrowing Costs" (effective 1 January 2009)
- Revision to IFRS 3 "Business Combinations" (effective 1 July 2009)
- Revision to IAS 27 "Consolidated and Separate Financial Statements" (effective 1 July 2009)
- Amendment to IFRS 2 "Share-Based Payment" (effective 1 January 2009)
- Amendment to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" (effective 1 July 2009)
- Amendments to IAS 28 "Investment in Associates" (effective 1 January 2009)
- Amendment to IAS 32 "Financial Instruments: Presentation" (effective 1 January 2009)
- Amendments to IAS 38 "Intangible Assets" (effective 1 January 2009)
- Amendment to IAS 39 "Financial Instruments: Recognition and Measurement" (effective 1 January 2009)

Notes to financial statements

The Directors are currently evaluating the impact of the adoption of these standards, amendments and interpretations in future periods.

2. Operating expenses

	2009	2008
	£	£
Provision for doubtful debts	13,242	21,257,678

3. Loss before taxation

Audit fees

Amounts paid to the auditors for audit services of £10,500 (2008: £11,000) were borne by another Group subsidiary in 2009 and 2008. No amounts for other services have been paid to the auditors.

4. Employee benefits and key management compensation

There were no staff costs during the year, as the Company had no employees (2008: nil). In the year ended 30 June 2009, services were provided by employees of other companies within the Group with no charge being made for their services in either year.

5. Taxation

a) Taxation recognised in the income statement

There was no tax charge for the year (2008: nil)

b) Reconciliation of total tax charge

The tax expense for the year is higher (2008: higher) than the standard rate of corporation tax in the UK (28%) applied to the loss before tax. The differences are explained below:

	2009	2008
	£	£
Loss before tax	(13,242)	(21,257,678)
Loss before tax multiplied by standard rate of corporation tax in the UK of 28% (2008: 29.5%)	(3,708)	(6,271,015)
Effects of:		
Permanent differences	3,708	6,271,015
Taxation	-	-

Notes to financial statements

6. Fixed Asset investments

(a) Non-current loans and subscription for shares in other group companies

The movement in the year was as follows:

	2009 £	2008 £
Cost and funding		
Beginning and end of year	2,780,694	2,780,694
Amounts provided		
Beginning and end of year	(1,700,708)	(1,700,708)
Net book value		
Beginning and end of year	1,079,986	1,079,986

Fixed asset investments shown above represent the cost of the shares of the wholly-owned subsidiary undertakings plus non-current loans advanced, less provisions made for any impairment in value.

Details of the principal investments of the Company are as follows:

Name	Country of incorporation	Description and proportion of shares held (%)	Principal activity
Direct holdings			
Planetfootball.com Limited	Great Britain	2 Ordinary Shares of £1 each (100%)	Provision of internet services
BSkyB Sports Holdings Limited (formerly Opta Index Limited)	Great Britain	12,277 Ordinary Shares of £1 each (100%)	Provision of sports statistics
Surrey Group Limited	Great Britain	474,471,438 Ordinary Shares of 1p each (100%)	Holding company

(b) Joint Ventures

The movement in the year was as follows:

	Shares £	2009 £	2008 £
Cost and funding			
Beginning and end of year	20,085,227	20,085,227	20,085,227
Amounts provided			
Beginning and end of year	(20,085,227)	(20,085,227)	(20,085,227)
Net book value			
Beginning and end of year	-	-	-

Fixed asset investments shown above represent the cost of the shares of the joint venture undertakings plus non-current loans advanced, less provisions made for any impairment in value.

Notes to financial statements

Details of the principal investments of the Company are as follows:

Name	Country of incorporation	Description and proportion of shares held (%)	Principal activity
Direct holdings			
Sports Etail Limited	Great Britain	4,900 Ordinary Shares of £1 each (49%)	E-Commerce

In April 2003, Sports Etail Limited went into administration.

7. Trade and other receivables

	2009	Restated 2008
	£	£
Amounts receivable from subsidiaries	41,328,874	41,324,103
Less: provision for impairment of receivables	(22,968,709)	(22,955,467)
Net amounts receivable from subsidiaries	18,360,165	18,368,636
Other receivables	38,786	38,785
	18,398,951	18,407,421

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value. Amounts owed by ultimate parent and fellow subsidiary undertakings are non-interest bearing and repayable on demand.

The Company is exposed to credit risk on its trade and other receivables. The Company does not have any significant concentrations of credit risk, with third parties, as the exposure spread over a large number of counterparties and customers. Within the Group there is a concentration of risk within amounts receivable from other Group companies.

Provisions for doubtful debts

	2009	Restated 2008
	£	£
Balance at beginning of year	22,955,467	1,697,789
Income statement charge	13,242	21,257,678
Balance at end of year	22,968,709	22,955,467

The prior year split between gross receivables and related provision has been restated with no impact on the carrying value of net receivables.

Notes to financial statements

8. Trade and other payables

	2009	2008
	£	£
Amounts payable to other Group companies	36,482,773	36,478,003

The Directors consider that the carrying amount of trade and other payables approximates to their fair values.

No interest is charged on amounts due to other Group companies. These amounts are repayable on demand.

On 30 September 2002, the Company entered into a £100 million revolving credit facility ('RCF') with BSkyB Finance Limited. The RCF is repayable on demand and is non-interest bearing. At 30 June 2009, the Company owed other Group companies £36,447,773 (2008: £36,447,773) under this agreement.

The company received confirmation from its intercompany creditors that, for a period of 12 months from the date of signing these financial statements, they will not demand payment of any amounts owed to them by the company where such repayment would prevent the company from continuing to settle its third party liabilities as they fall due.

9. Financial risk management objectives and policies

The Company's principal financial instruments comprise trade and other payables. The Company has various financial assets such as trade and other receivables.

	Loans and receivables	Other liabilities	Total carrying value	Total fair values
	£	£	£	£
At 30 June 2008				
Trade and other payables	-	(36,478,003)	(36,478,003)	(36,478,003)
Trade and other receivables	18,407,421	-	18,407,421	18,407,421
At 30 June 2009				
Trade and other payables	-	(36,482,773)	(36,482,773)	(36,482,773)
Trade and other receivables	18,398,951	-	18,398,951	18,398,951

The Directors' deem the carrying value of financial assets and liabilities approximates fair values.

Notes to financial statements

Liquidity risk

The Company's financial liabilities are shown in note 8.

The following table analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 12 months £	Between one and two years £	Between two and five years £	More than 5 years £
At 30 June 2008				
Trade and other payables	(36,478,003)	-	-	-
At 30 June 2009				
Trade and other payables	(36,482,773)	-	-	-

Capital risk management

The capital structure of the Company consists of equity attributable to equity holders of the parent company, comprising issued capital, reserves and retained earnings.

Risk and treasury management is governed by British Sky Broadcasting Group plc's policies approved by its board of Directors.

10. Share capital

	2009 £	2008 £
Authorised		
44,000,000 (2008: 44,000,000) ordinary shares of 5p each	2,200,000	2,200,000
Allotted, called-up and fully paid		
38,432,302 (2008: 38,432,302) ordinary shares of 5p each	1,921,615	1,921,615

11. Reconciliation of profit before taxation to cash generated from operations

	2009 £'000	2008 £'000
Losses from operations	(13,242)	(21,257,678)
Provision for impairment of receivables	13,242	21,257,678
Cash generated from operations	-	-

Notes to financial statements

12. Operating lease commitments

The minimum lease rentals to be paid under non-cancellable operating leases at 30 June are as follows:

	2009	2008
	£'000	£'000
Within one year	65	87
Between one and two years	-	65
Between two and five years	-	-
	65	152

These costs are paid on behalf of Sports Internet Group Limited by another group company.

13. Transactions with related parties

The Company has related party transactions with other Group companies. In particular, it is normal practice for the Company to borrow cash from other Group companies as required. For details of amounts owed to and from other Group companies, see notes 7 and 8. All amounts payable to other Group companies are non-interest bearing and repayable on demand.

14. Ultimate parent undertaking

The Company is a wholly-owned subsidiary undertaking of British Sky Broadcasting Group plc, a company incorporated in Great Britain and registered in England and Wales. The Company is ultimately controlled by British Sky Broadcasting Group plc. The only group in which the results of the Company are consolidated is that headed by BSkyB.

The consolidated accounts of the Group are available to the public and may be obtained from the Company Secretary, British Sky Broadcasting Group plc, Grant Way, Isleworth, Middlesex TW7 5QD.