

**Super League (Europe) Limited**

**Directors' report and financial  
statements**

**Registered number - 3238540**

**31 December 2004**



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## FINANCIAL STATEMENTS

### DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2004.

### PRINCIPAL ACTIVITY

The company's principal activity is that of the management and promotion of the Rugby Football League competition known as the Super League. The company acts as an agent for the 12 (2003: 12) rugby league clubs who participated in the Super League competition in 2004.

### BUSINESS REVIEW

The result for the year is shown on page 10. The company has made neither a profit nor a loss for the year, which reflects the nature of the operations of Super League (Europe) Limited ("SLE"). The company acts as an agent for the Super League clubs, and its turnover represents amounts received to cover administrative expenses and other disbursements properly incurred on the clubs' behalf.

### DIVIDENDS

The directors do not recommend the payment of a dividend.

### DIRECTORS AND DIRECTORS' INTERESTS

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

Directors and directors' interests	
Gary Hetherington	
Maurice Patrick Lindsey	Resigned 25 August 2004
Andrew John Gatchliffe	
Kathryn Mary Hetherington	
Richard Wright	Resigned 31 December 2004
Dave Mark Tarry	Appointed 1 January 2004
Anthony Arthur Chambers	
Nicholas Cartwright	
Ralph William James Rimmer	
James Alexander George Hartley	Resigned 17 February 2004
Sean McGuire	Appointed 17 February 2004
Diane Rogerson	
Simon Collinson	Appointed 25 August 2004
R Lewis	

The directors who held office during the financial year had no disclosable interests in the shares of the company at the year end. However, the following directors were also directors of Super League clubs who are/were members of the company:

#### Gary Hetherington

The Leeds Cricket, Football & Athletic Company Limited (Leeds Rhinos)

#### Andrew John Gatchliffe

Warrington Football Club Limited (Warrington Wolves)

#### Kathryn Mary Hetherington

Hull Super League Limited (Hull FC)

#### Richard Wright

Castleford Rugby League Football Limited (Castleford Tigers)

#### Dave Mark Tarry

Salford Football Club Company (1914) Limited (Salford City Reds)

#### Anthony Arthur Chambers

Widnes Rugby League Football Club Limited (Widnes Vikings)

#### Nicholas Cartwright

London Broncos Limited/Eaglecraft Limited (London Broncos)

#### Ralph William James Rimmer

Huddersfield Sporting Pride Limited (formerly Huddersfield Rugby League Football Club (1994) Limited) (Huddersfield Giants)

#### James Alexander George Hartley

St Helens Rugby Football Club Limited (St Helens)

#### Sean McGuire

St Helens Rugby Football Club Limited (St Helens)

#### Diane Rogerson

Wakefield Trinity Rugby League Football Club (Wakefield Trinity Wildcats)

#### Maurice Patrick Lindsey

Wigan Football Club Limited (Wigan Warriors)

#### Simon Collinson

Wigan Football Club Limited (Wigan Warriors)

During the year and subsequently share transfers occurred as follows:

**1 January 2004**

Halifax Rugby League Football Club Limited (Halifax RLFC) to Salford Football Club Company (1914) Limited (Salford City Reds)

**1 January 2005**

Castleford Rugby League Football Limited (Castleford Tigers) to Sporting Club Leigh Limited (Leigh Centurions)

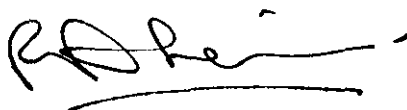
**4 March 2005**

London Broncos Limited (London Broncos) to Eaglecraft Limited (London Broncos)

**Auditors**

A resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



Richard Lewis  
Director

Sovereign House  
South Parade  
LEEDS  
LS1 5QL

30 September 2005

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 REPORT OF THE AUDITORS TO THE  
MEMBERS OF SUPER LEAGUE (EUROPE) LTD.**

We have audited the financial statements on pages 10 to 14.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 8, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

**Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**KPMG LLP**

**KPMG LLP**

Chartered Accountants and Registered Auditor  
Leeds

30 September 2005

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2004**

**BALANCE SHEET AT 31 DECEMBER 2004**

Continuing operations							
	Note	2004 £	2003 £		Note	2004 £	2003 £
<b>Turnover</b>	1	3,269,346	3,125,277	<b>Fixed assets</b>			
<b>Cost of sales</b>		(2,495,098)	(2,317,671)	Tangible assets	8	69,100	48,691
<b>Gross profit</b>		774,248	807,606	<b>Current assets</b>			
<b>Administrative expenses</b>		(876,167)	(842,542)	Debtors	9	3,524,633	7,253,050
<b>Operating loss</b>		(101,919)	(34,936)	Cash at bank and in hand		1,525,683	285,754
<b>Interest receivable</b>	5	107,104	35,852			5,050,316	7,538,804
<b>Interest payable and similar charges</b>	6	(5,185)	(916)	<b>Creditors: amounts falling due within one year</b>	10	(5,119,402)	(7,587,481)
<b>Profit on ordinary activities before taxation</b>	2	-	-	<b>Net current liabilities</b>		(69,086)	(48,677)
<b>Tax on profit on ordinary activities</b>	7	-	-	<b>Total assets less current liabilities</b>		14	14
<b>Profit for the financial year</b>		-	-	<b>Net assets</b>		14	14
There are no recognised gains or losses in the year other than the result for the year as shown above.				<b>Capital and reserves</b>			
There is no difference between the results as stated above and those as stated on a historical cost basis.				Called up share capital	11	12	12
				Profit and loss account	12	-	-
				Capital redemption reserve	12	2	2
				<b>Equity shareholders' funds</b>	13	14	14

These financial statements were approved by the board of directors on 30 September 2005 and were signed on its behalf by:



R Lewis  
Director

## NOTES

(forming part of the financial statements)

### 1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### *Basis of preparation*

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

The accounts are prepared on a going concern basis despite the net current liabilities of the company.

The Super League clubs have undertaken, in the event of SLE having net liabilities, to permit SLE to release, unconditionally for its own accounts & benefit an amount equivalent to such net liabilities. This amount shall then be treated as a reduction in the liabilities of SLE, being a release from the amount owing to the clubs.

Under Financial Reporting Standard No. 1 (Revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a small company.

#### *Fixed assets and depreciation*

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Fixtures and fittings - 3 years

Motor vehicles - 3 years

#### *Leases*

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight-line basis over the life of the lease.

#### *Pension scheme*

The company participates in a group personal pension scheme. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

#### *Taxation*

Taxation is only payable on interest receivable as the company acts as agent for the Rugby League Clubs in the Super League who are members of the company.

#### *Turnover*

Turnover represents amounts to directly cover administrative expenses and other disbursements properly incurred on the clubs' behalf, in accordance with the disclosed agency agreement between the company and the Super League clubs.

#### *Translation of foreign currencies*

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at exchange rates ruling at the date of the balance sheet. Transactions in foreign currencies are translated at the rate of exchange on the date of transaction and gains or losses on the translation are taken to the profit and loss account.

### 2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2004	2003
	£	£
<b>Profit on ordinary activities before taxation is stated after charging</b>		
<b>Auditors' remuneration:</b>		
Audit	5,250	6,000
Non - audit	860	850
Operating lease rentals		
Land and buildings	47,280	47,280
Depreciation of tangible fixed assets		
Owned	22,740	6,489
Leased	-	7,661
	<u>          </u>	<u>          </u>

### 3 STAFF COSTS

Staff costs were as follows:

	2004	2003
	£	£
Wages and salaries	-	-
Social security costs	-	-
Other pension costs	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The average number of persons employed by the company during the year is analysed below:

	2004	2003
	£	£
Administration	-	-
	<u>-</u>	<u>-</u>

At 1 June 2002 the staff employed by the Company had their employment transferred to the Rugby Football League ("the RFL"). A management charge is made by the RFL to reflect the costs incurred by employing staff to carry out such duties as necessary in the management of SLE.

### 4 DIRECTORS' REMUNERATION

	2004	2003
	£	£
Directors' emoluments	-	-
Pension contributions	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

### 5 INTEREST RECEIVABLE

	2004	2003
	£	£
Bank interest	107,104	35,852
	<u>107,104</u>	<u>35,852</u>

### 6 INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£	£
On bank loans	-	-
On Other Loans	5,185	916
	<u>5,185</u>	<u>916</u>

### 7 TAXATION

	2004	2003
	£	£
UK corporation tax	-	-
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

### 8 TANGIBLE FIXED ASSETS

	Motor Vehicles	Fixtures	Total
	£	£	£
<b>Cost</b>			
At beginning of year	14,571	93,598	108,169
Additions	-	46,149	46,149
Disposals	(14,571)	-	(14,571)
	<u>-</u>	<u>-</u>	<u>-</u>
At end of year	-	139,747	139,747
	<u>-</u>	<u>139,747</u>	<u>139,747</u>
<b>Depreciation</b>			
At beginning of year	11,571	47,907	59,478
Charge for year	-	22,740	22,740
Disposals	(11,571)	-	(11,571)
	<u>-</u>	<u>22,740</u>	<u>22,740</u>
At end of year	-	70,647	70,647
	<u>-</u>	<u>70,647</u>	<u>70,647</u>
<b>Net book value At 31 December 2004</b>	-	69,100	69,100
	<u>-</u>	<u>69,100</u>	<u>69,100</u>
At 31 December 2003	3,000	45,691	48,691
	<u>3,000</u>	<u>45,691</u>	<u>48,691</u>

Total net book value of fixed assets as at 31 December 2004 includes £nil (2003: £3,000) in respect of assets acquired under hire purchase contracts. Depreciation charged in the year on these assets amounted to £nil (2003: £7,661).

## 9 DEBTORS

	2004	2003
	£	£
Trade debtors	3,253,160	6,052,446
Prepayments and accrued income	271,471	1,200,602
Called up share capital unpaid	2	2
	<u>3,524,633</u>	<u>7,253,050</u>

## 12 RESERVES

	Capital redemption reserve	Profit and loss account
	£	£
At beginning of year	2	-
Retained profit for the year	-	-
	<u>2</u>	<u>-</u>
At end of year	2	-

## 10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Trade creditors	126,401	192,058
Other taxation and social security	601,396	905,287
Other creditors	4,098,987	5,611,519
Accruals and deferred income	292,618	878,617
	<u>5,119,402</u>	<u>7,587,481</u>

## 13 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2004	2003
	£	£
Profit for the year	-	-
Net addition to equity shareholders' funds	-	-
Opening equity shareholders' funds	14	14
	<u>14</u>	<u>14</u>
Closing equity shareholders' funds	14	14

## 11 CALLED UP SHARE CAPITAL

	2004	2003
	£	£
<b>Authorised</b>		
Equity: Ordinary shares of £1 each	50	50
	<u>50</u>	<u>50</u>
<b>Allotted &amp; called up</b>		
Equity: Ordinary shares of £1 each		
- paid	10	10
- unpaid	2	2
	<u>12</u>	<u>12</u>

## 14 COMMITMENTS

Amounts falling due in the next twelve months under non-cancellable operating leases, analysed by the date of expiry of the lease are as follows:

	2004	2003
	Land and buildings	Land and buildings
	£	£
Within one year	-	-
Within two to five years	49,280	49,280
	<u>49,280</u>	<u>49,280</u>

## 15 PENSION SCHEME

The company does not participate in a personal pension scheme. At 1 June 2002 the staff employed by the company had their employment transferred to the RFL. These former employees are eligible to join the RFL's pension scheme.

## 16 RELATED PARTY TRANSACTIONS

The members of the company are the 12 Super League rugby clubs.

In 2004, the total monies receivable by SLE on behalf of members was £12,033,101 (2003: £14,349,295). Distributions to members amounted to £10,102,172 (2003: £8,630,473), being £9,600,000 (2003: £7,900,000) in respect of television rights and £502,172 (2003: £730,473) distribution of surplus balances. The surplus of monies receivable for the year was £106,208 (2003: £748,075).

In total, other creditors includes £3,842,654 (2003: £5,312,315) due to the 12 current Super League clubs and previous members since relegated. This represents undistributed surpluses of £382,711 (2003: £779,798), £2,204,717 (2003: £2,150,943) which relates to the first tranche of broadcast rights monies for the forthcoming year, £1,920,000 (2003: £2,400,000) being the balance remaining of the initial signing-on fee in respect of broadcast rights, less £18,426 (2003: £18,426) sundry club debtors less £646,348 (2003: £nil) advanced to members in respect of broadcast rights.

Within accruals and deferred income £1,622 (2003: £759,314) is due to the 12 Super League clubs. This represents sundry amounts due.

Within trade debtors £131,805 (2003: £92,006) is owed to SLE by the 12 current Super League clubs and previous members. These debtors are recoverable, in the last resort, through deductions from distributions.

The following amounts were also payable to members in respect of prize money:

Club	£
The Leeds Cricket, Football & Athletic Company Limited (Leeds Rhinos)	290,000
Bradford Bulls Holding Limited (Bradford Bulls)	185,000
Wigan Football Club Limited (Wigan Warriors)	155,000
Wakefield Trinity Rugby League Football Club (Wakefield Trinity Wildcats)	130,000
Hull Super League Limited (Hull FC)	100,000
St Helens Rugby Football Club Limited (St Helens)	80,000
Huddersfield Sporting Pride Limited (formerly Huddersfield Rugby League Football Club (1994) Limited) (Huddersfield Giants)	45,000
Warrington Football Club Limited (Warrington Wolves)	35,000
Salford Football Club Company (1914) Limited (Salford City Reds)	27,000
London Broncos Limited (London Broncos)	22,000
Widnes Rugby League Football Club Limited (Widnes Vikings)	18,000
Castleford Rugby League Football Limited (Castleford Tigers)	13,000
	<hr/> 1,100,000