

Super League (Europe) Limited

Annual report and financial statements

Registered number 3238540

31 December 2018



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Strategic Report

Principal activities

The principal activity of Super League (Europe) Limited ("SLE") is the management and promotion of Super League, the top tier of rugby league in the UK and France. The company generates revenue from the sale of broadcasting rights, from commercial partnerships with sponsors, and from the competition's flagship events; Magic Weekend and the end of season Play-Offs and Grand Final.

Total revenues received by SLE are attributable to SLE only to the extent that they are required to meet its operating costs. All surplus revenues over and above amounts needed to meet SLE's operating costs are received in SLE's capacity as agents of the 12 clubs that compete in the Super League competition. Those surplus revenues are distributed to the clubs as beneficial owners of those revenues, and SLE retains only those revenues which result in it making nil profit before tax. As a consequence, the statutory profit and loss account does not reflect the total income flows which pass through the company.

Total broadcasting income receivable by the Company and The Rugby Football League Limited ("the RFL") was £32.4m (2017: £32.3m). Of this amount, and in accordance with an agreement made between the RFL and SLE, £5.9m (2017: £6.2m) was retained by the RFL as partial funding of its governing body activities resulting in income of £26.5m (2017: £26.1m) attributable to the Company.

SLE's operating costs met through retention of revenues generated include charges of £2.1m (2017: £2.4m) payable to the RFL for services provided to SLE under a Funding and Management Agreement, payments of £1.65m (2017: £1.625m) made to the RFL as a contribution to the funding of the Championship and League One, and other payments of £0.7m (2017: £0.2m) to Championship clubs and academies.

Total operating revenues generated by SLE and net turnover per the Profit and Loss Account on page 9 are as follows:

	2018	2017 (as restated)
	£	£
Income from sale of broadcasting rights – SLE share	26,508,161	26,124,168
Sponsorship income	2,024,000	2,112,300
Ticket sales	2,183,671	2,351,023
Other income	390,641	381,932
	<hr/>	<hr/>
Total operating revenues generated by the company	31,106,473	30,969,423
	<hr/>	<hr/>
Amounts received as agents for Super League clubs	(23,215,719)	(22,501,957)
	<hr/>	<hr/>
Total turnover shown in these financial statements	7,890,754	8,467,466
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Directors

The Board of Directors of Super League (Europe) Limited includes The Chairman of the RFL, who shall ex officio be the Chairman of Super League (Europe) Limited, in addition to a representative from each of the 12 Super League clubs.

As a consequence of common directorships between the companies, RFL (Governing Body) Limited and the RFL are classified as related companies of SLE, and detailed related parties' disclosures can be found in the Notes to the Accounts (Note 15).

Development and Performance of the Business During the Financial Year

The result for the year is shown on page 9. The Company made neither a profit nor a loss for the year, which reflects the nature of the operations of SLE as described above.

Total operating revenues generated in the year were £31.1m (2017: £31.0m). Turnover for the year, representing the amount retained by SLE to meet operating costs, was £7.9m (2017 £8.5m). As noted above operating costs include amounts paid by SLE to the RFL and Championship and League 1 Clubs. The reported decrease in turnover is as a result of a reduction in the company's operating costs in 2018.

SLE benefits from the support of its commercial partners and during the course of the year was delighted to extend its partnership with the competition's title sponsor, Betfred. The continued support during the year from Sky, Dacia, Patient Claim Line, Northern Rail, Batchelors and the BBC provides SLE with valuable revenues and marketing support.

Whilst total attendances for the 2018 season at over 1.7m were slightly down on 2017, aggregate broadcast viewer numbers showed significant growth, with total audience figures at 11.0m over the 2018 season, an increase of 7% on 2017.

Once again, St James's Park in Newcastle proved to be a great home for Magic Weekend. The staging of a full round of Super League fixtures, all televised live on Sky Sports, at a single venue goes from strength to strength; a trend that continued in 2019, when the Magic Weekend moved to the iconic Anfield stadium in Liverpool.

The Super League Grand Final, once again held at Old Trafford in October, saw Wigan Warriors defeat Warrington Wolves. A crowd of 64,892 saw an exciting end to yet another enthralling Super League season.

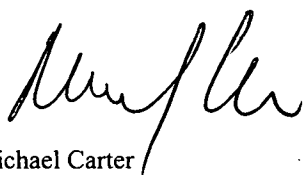
In 2019, changes have been made both to fixture formats and the rules of the Game. Clubs and fans will benefit from the certainty of a regular season and the excitement of an extended play-off series. On the pitch, the Game's inherent intensity will be enhanced further with shot-clocks speeding up scrums, goal line drop-outs and attempts at goal, and Super League fans can look forward to the 'nail-biting' drama of Golden Point.

Principal Risks and Uncertainties

The major income stream for Super League, being broadcast income, is contracted until the end of 2021 which provides stability both for SLE and the member clubs. Preparations are already underway for a new broadcast deal and the Board is confident of agreeing another long-term deal with broadcast partners to secure this income stream in the future.

The Board is mindful that SLE derives other commercial income from a relatively narrow spectrum of commercial partners. The commercial landscape remains challenging and the Board is aware that commercial partnerships always present a degree of risk. The company continues to seek opportunities for further partnerships whilst maintaining its focus on the renewal of existing partnerships. It is particularly pleasing therefore, as noted above, that Betfred, has extended its title sponsorship of Super League.

Signed on behalf of the Board



Michael Carter

Director

Fourways House, 57 Hilton Street, Manchester M1 2EJ

23 September 2019

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2018.

Principal activity

The company's principal activity is that of the management and promotion of the competition known as the Super League. The company acts as an agent for the 12 (2017: 12) rugby league clubs who participated in the Super League competition in 2018.

Dividends

The directors do not recommend the payment of a dividend (2017: £nil).

Directors

The directors who held office during the year and to the date of signing were as follows:

Brian Barwick (Chairman)	Chairman (resigned 4 September 2019)
Karen Moorhouse	Company Secretary (resigned 3 July 2019)
Graham Odlin	Company Secretary (appointed 3 July 2019)
Ian Blease	
Michael Carter	
Kenneth Davy	
Karl Fitzpatrick	
James Fulton	
Gary Hetherington	
Neil Hudgell	
David Hughes	Appointed 6 December 2018
Ian Lenagan	
Eamonn McManus	
Adam Pearson	
James Rule	Resigned 6 December 2018
Niel Wood	

Employees

Robert Elstone was appointed as the chief executive of Super League (Europe) Limited in June 2018. In the Autumn of 2018 further appointments were made to build internal capability to replace services which have hitherto been purchased from The Rugby Football League Limited.

Political contributions

The Company made no political donations and incurred no political expenditure during the year.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has access to adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Disclosure of information to 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 he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 1.

Directors' report *(continued)*

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.

By order of the board

A handwritten signature in black ink, appearing to read 'Michael Carter', written in a cursive style.

Michael Carter

Director

23 September 2019

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.



KPMG LLP

1 Sovereign Square
Sovereign Street
Leeds LS1 4DA
United Kingdom

Independent auditor's report to the members of Super League (Europe) Limited

Opinion

We have audited the financial statements of Super League (Europe) Limited ("the company") for the year ended 31 December 2018 which comprise the Profit and loss account and other comprehensive income, Balance sheet, Statement of changes in equity, Cash flow statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of trade debtors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

Independent auditor's report to the members of Super League (Europe) Limited *(continued)*

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.
-

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent auditor's report to the members of Super League (Europe) Limited
(continued)

The purpose of our audit work and to whom we owe our responsibilities

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.



Clare Partridge (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
West Yorkshire LS1 4DA

24 September 2019

Profit and Loss Account and Other Comprehensive Income

For the year ended 31 December 2018

	<i>Note</i>	2018	2017 (as restated)
		£	£
Turnover	2	7,890,754	8,467,466
Cost of Sales and Administrative costs		(7,894,067)	(8,468,123)
Operating loss		(3,313)	(657)
Other interest receivable and similar income		3,313	657
Result on ordinary activities before taxation		-	-
Tax on result on ordinary activities	7	(1,269)	1,269
(Loss)/profit for the financial year		(1,269)	1,269

All items dealt with in arriving at operating loss above relate to continuing operations.

There were no gains or losses in the year other than those included in the profit and loss account above.

The notes on pages 13 to 20 form part of these financial statements.

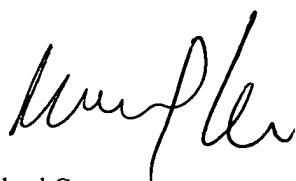
Balance Sheet

At 31 December 2018

	Note	2018	2017
		£	£
Current assets			
Debtors	8	7,080,438	7,604,722
Cash at bank and in hand	9	341,730	146,227
		<u>7,422,168</u>	<u>7,750,949</u>
Creditors: amounts falling due within one year	10	(7,422,155)	(7,749,667)
		<u>13</u>	<u>1,282</u>
Net current assets			
		<u>13</u>	<u>1,282</u>
Total assets less net current liabilities			
		<u>13</u>	<u>1,282</u>
Net assets		<u>13</u>	<u>1,282</u>
Capital and reserves			
Called up share capital	13	13	13
Profit and loss account	13		1,269
		<u>13</u>	<u>1,282</u>
Shareholders' funds		<u>13</u>	<u>1,282</u>

The notes on pages 13 to 20 form part of these financial statements

These financial statements were approved by the Board of Directors on 23 September 2019 and were signed on its behalf by:



Michael Carter

Director

Company registered number: 3238540

Statement of Changes in Equity

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2017	13	-	13
Total comprehensive income for the period			
Profit or loss	-	1,269	1,269
Total comprehensive income for the period	<u>13</u>	<u>1,269</u>	<u>1,282</u>
Balance at 31 December 2017	13	1,269	1,282
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

	Called up share capital £	Profit and loss accounts £	Total equity £
Balance at 1 January 2018	13	1,269	1,282
Total comprehensive income for the period			
Profit or loss	-	(1,269)	(1,269)
Total comprehensive income for the period	<u>-</u>	<u>1,269)</u>	<u>(1,269)</u>
Balance at 31 December 2018	13	-	13
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

Cash Flow Statement

For the year ended 31 December 2018

<i>Note</i>	2018	2017
	£	£
Cash flows from operating activities		
Profit/(Loss) for the year	(1,269)	1,269
<i>Adjustments for</i>		
Interest receivable and similar income	(3,313)	(657)
	<hr/> (4,582)	<hr/> 612
Decrease/(increase) in trade and other debtors	524,284	(657,163)
(Decrease)/increase in trade and other creditors	(327,512)	294,134
	<hr/>	<hr/>
Net cash from operating activities	192,190	(362,417)
Interest received	3,313	657
	<hr/>	<hr/>
Net cash from investing activities	3,313	657
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	195,503	(361,760)
	<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents at 1 January	146,227	507,987
	<hr/>	<hr/>
Cash and cash equivalents at 31 December	341,730	146,227
	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

1. Accounting policies

Super League (Europe) Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 (“FRS 102”). The presentation currency of these financial statements is sterling.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The company’s business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic and Directors’ Report on pages 1 to 4. The company has a significant contract with its major broadcast partner which will generate substantial revenues sufficient to cover its costs and provide for distributions to clubs during the period of that contract. Therefore, the directors believe that the company is well placed to manage its business risks successfully. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company’s functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

1.5 Employee benefits

Post-retirement benefits

The organisation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the organisation in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

1.6 Provisions

A provision is recognised in the balance sheet when the Entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.7 Turnover

Income is generated from the Broadcast contract which is now in place until 2021. Commercial contracts with sponsors expire at intervals over the next three years and income generated from the staging of matches is generated on an annual basis. All turnover is accounted for on an accruals basis.

Notes (continued)

1.8 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. Turnover

	2018	2017 (as restated)
	£	£
Income from sale of broadcasting rights – SLE share	26,508,161	26,124,168
Sponsorship Income	2,024,000	2,112,300
Ticket Sales	2,183,671	2,351,023
Other income	390,641	381,932
	<hr/>	<hr/>
Total operating revenues generated by the company	31,106,473	30,969,423
	<hr/>	<hr/>
Amounts received as agents for Super League clubs	(23,215,719)	(22,501,957)
	<hr/>	<hr/>
Total turnover shown in these financial statements	7,890,754	8,467,466
	<hr/>	<hr/>

All turnover is generated in the UK. Income from sale of broadcasting rights includes £236k (2017: £207k) in respect of amounts invoiced to a UK entity which sold broadcast rights around the world.

See note 16 in relation to the change in presentation of turnover and costs included in these financial statements.

3. Auditor's remuneration

Auditor's remuneration included in the result for the year is as follows:

	2018	2017
	£	£
Audit of these financial statements	9,900	3,000
	<hr/>	<hr/>

4. Staff numbers and costs

	2018	2017
Administration staff – number of employees	12	-
	<hr/>	<hr/>

Notes (continued)

The aggregate payroll costs of these persons were as follows:

	2018	2017
	£	£
Wages and salaries	246,781	-
Social security costs	32,312	-
Contributions to defined contribution plans	5,000	-
	<hr/>	<hr/>
	284,093	-
	<hr/> <hr/>	<hr/> <hr/>

In 2017 a management charge was made by the RFL to reflect the costs incurred by its staff to carry out such duties as necessary in the management of SLE.

5. Directors' remuneration

The Directors of Super League (Europe) Ltd did not receive any remuneration in 2018 (2017: £nil).

6. Other interest receivable and similar income

	2018	2017
	£	£
Interest received	3,313	657
	<hr/>	<hr/>

7. Taxation

	2018	2017
	£	£
<i>Current tax</i>		
Current tax on income for the period	-	3,541
Adjustments in respect of prior periods	(1,565)	(1,019)
	<hr/>	<hr/>
Total current tax	(1,565)	2,522
<i>Deferred tax</i>		
Origination and reversal of timing differences	2,834	(3,791)
Change in tax rate	-	-
	<hr/>	<hr/>
	2,834	(3,791)
	<hr/>	<hr/>
Total Tax	1,269	(1,269)
	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

	2018			2017		
	Current tax £	Deferred tax £	Total tax £	Current tax £	Deferred tax £	Total tax £
Recognised in Profit and loss account	(1,565)	2,834	1,269	2,522	(3,791)	(1,269)
Recognised directly in equity	-	-	-	-	-	-
Total Tax	(1,585)	9,231	7,646	2,522	(3,791)	(1,269)

All taxation is UK Corporation Tax

Reconciliation of effective tax rate

	2018	2017
	£	£
Result on ordinary activities before taxation	-	-
Tax using the UK corporation tax rate of 19% (19.25%)	-	-
Expenses not deductible for tax purposes	567	1,055
Other differences	702	-
Adjustments to tax charge in respect of previous periods – deferred tax	-	(1,019)
Deferred tax not recognised	-	(1,595)
Reduction in tax rate on deferred tax balances	-	290
Tax expense/(credit) included in result for the year	1,269	(1,269)

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Notes (continued)

8. Debtors

	2018	2017
	£	£
Trade debtors	6,370,197	6,987,712
Other debtors	8,641	5,932
Deferred taxation (see note 11)	15,044	17,878
Prepayments and accrued income	686,556	593,200
	<u>7,080,438</u>	<u>7,604,722</u>

9. Cash and cash equivalents

	2018	2017
	£	£
Cash at bank and in hand	341,730	146,227
	<u>341,730</u>	<u>146,227</u>

10. Creditors: amounts falling due within one year

	2018	2017 (as restated)
	£	£
Trade creditors	913,247	1,655,306
Taxation and social security	638,924	531,045
Other creditors	483,476	711,431
Corporation tax	957	2,522
Accruals and deferred income	5,385,551	4,849,363
	<u>7,422,155</u>	<u>7,749,667</u>

Change in presentation of 2017 amounts:

An amount of £4,543,398, representing amounts invoiced in December 2017 in respect of the UK TV broadcast fees relating to the first quarter of 2018, has been reclassified from 'Other creditors' per the 2017 financial statements to 'Accruals and deferred income' in the comparative figures for these financial statements.

Purchase invoices totalling £401,330, relating to the year ended 31 December 2017 and received before the signing of the 2017 accounts have been reclassified from 'Accruals and deferred income' to 'Trade creditors', with related VAT of £27,089 being reclassified from 'Taxation and social security' to 'Trade creditors'.

This presentation more accurately reflects the nature of these amounts and is consistent with the treatment adopted for the year ended 31 December 2018. The presentation restates individual components of, but does not impact the total of, 'Creditors: amounts falling due within one year'.

Notes (continued)

11. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets 2018	2017	Liabilities 2018	2017	Net 2018	2017
	£	£	£	£	£	£
Accelerated capital allowances	-	-	-	-	-	-
Short term timing differences	15,044	17,878		-	15,044	17,878
	<u>15,044</u>	<u>17,878</u>	<u>-</u>	<u>-</u>	<u>15,044</u>	<u>17,878</u>
Total Tax	<u>15,044</u>	<u>17,878</u>	<u>-</u>	<u>-</u>	<u>15,044</u>	<u>17,878</u>

12. Employee benefits

Defined contribution plans

The Company operates a defined contribution pension plan. No contributions were made to the plan in 2018 (2017: Nil), with the first contributions being paid in January 2019. Pension contributions of £5,000 (2018: Nil) as disclosed in note 4 were made to a separate plan not operated by the Company.

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

13. Capital and reserves

	2018	2017
Share capital		
Number of shares in issue at 31 December – fully paid	13	13
	£	£
<i>Allotted called up and fully paid</i>		
£1 ordinary shares of £1 each	<u>13</u>	<u>13</u>
	<u>13</u>	<u>13</u>
Profit and loss account	£	
Balance at 1 January 2018	1,269	
Result of the period	(1,269)	
Balance at 31 December 2018	<u>Nil</u>	

Notes (continued)

14. Related party transactions - participating shareholders

The participating shareholders of the company are the 12 Super League rugby clubs.

In 2018, the total monies receivable by SLE on behalf of participating shareholders was £23,215,719 (2017: £22,501,957).

In total, other creditors include £483,476 (2017: £690,000) due to the 12 current Super League clubs and previous clubs since relegated. This is made up as follows:

	2018	2017
	£	£
Undistributed surplus	640,383	840,000
Distributions made in advance	(156,907)	(150,000)
	<u>483,476</u>	<u>690,000</u>

All creditors above are due within one year. Other amounts owed to/from the 12 Super League clubs and clubs since relegated are set out below:

	2018	2017
	£	£
Trade debtors	56,687	-
Prepayments and accrued income	308,333	-
Trade Creditors	(8,771)	(15,495)
Accruals and deferred income	(33,590)	(7,636)

15. Related party transaction - directors

Through shared directorships, the RFL and RFL (Governing Body) Limited (RFL GB) are related parties of SLE. The RFL receives income from broadcasting rights and ticket sales which belong to SLE and incurs costs relating to SLE – these are all passed on to SLE. Similarly, SLE receives incurs costs relating to the RFL – these are passed on to the RFL.

At 31 December the following amounts were owed to or from Super League by RFL and RFL GB.

	2018	2017
	£	£
Trade debtors	6,236,683	6,807,122
Prepayments and accrued income	266,886	1,361
Balance (payable)/receivable in respect of transactions carried out by/for RFL for/by Super League	(883)	47,171
Trade Creditors	(188,512)	(746,419)
Accruals and deferred income	(5,034,708)	(4,547,569)

The 2017 comparative figure for related party balances within 'Accruals and deferred income' has been increased by £4,543,398, representing deferred income invoiced to the RFL in respect of 2018 broadcast fees invoiced in 2017. See also note 10 in respect of reclassification of this amount.

Notes (continued)

16. Change in presentation of 2017 profit and loss account comparative figures

As noted in the Strategic Report on page 1, total revenues received by SLE are attributable to SLE only to the extent that they are required to meet its operating costs. All surplus revenues over and above amounts needed to meet SLE's operating costs are received in SLE's capacity as agents of the 12 clubs that compete in the Super League competition.

There has been a change in presentation of the 2017 comparative figures in the profit and loss account to better reflect the agency role carried on by the Company. Consequently, certain amounts previously included in operating costs, mainly in relation to prize money paid to clubs, have been excluded from total costs (with a corresponding reduction in turnover).

In addition, all costs incurred by the Company are now shown under a single heading, rather than being separately shown as Cost of Sales and Administrative Costs. Given the nature of the Company's operations, and the fact that only part of the revenues generated are shown within turnover, the Directors are of the view that separating costs into different categories, and reporting a gross margin based on those revenues required to meet total costs, serves no meaningful purpose.

There is no impact on the overall result for the year as a result of the above treatment, but costs and turnover have changed by the same amount as shown below:

	2017
	£
Cost of Sales as originally stated	3,626,874
Administrative expenses as originally stated	5,898,714
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Total costs as originally stated	9,525,588
Exclusion of costs relating to clubs	(1,057,465)
	<hr/>
Total costs as restated	8,468,123
	<hr/> <hr/>
	£
Turnover as originally stated	9,524,931
Reduction in amounts required to meet restated costs	(1,057,465)
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Turnover as restated	8,467,466
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