

# Touchline Event Management Limited

Directors' Report and Financial Statements  
for the Year Ended 30 September 2007



Leathers LLP  
Chartered Accountants and Registered Auditors  
17th Floor  
Cale Cross House  
Pilgrim Street  
Newcastle upon Tyne  
NE1 6SU

**Touchline Event Management Limited**  
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The following pages do not form part of the statutory financial statements

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**Touchline Event Management Limited**  
**Officers and Advisers**

<b>Directors</b>	PG Durham WM Muir
<b>Secretary</b>	WM Muir
<b>Registered office</b>	7 Allison Court Metro Centre Gateshead Tyne & Wear NE11 9YS
<b>Bankers</b>	Barclays Bank plc PO Box 379 71 Grey Street Newcastle upon Tyne NE99 1JA
<b>Auditors</b>	Leathers LLP Chartered Accountants and Registered Auditors 17th Floor Cale Cross House Pilgrim Street Newcastle upon Tyne NE1 6SU

# **Touchline Event Management Limited**

## **Directors' Report for the Year Ended 30 September 2007**

The directors present their report and the audited financial statements for the year ended 30 September 2007

### **Principal activities and business review**

The company's principal activity during the period was the provision of stewarding services at sporting and other events

The directors are very pleased with the results for this financial year and with the steady expansion of its customer base

The directors consider the state of the company's affairs to be satisfactory and the following key performance indicators (KPI's) to be appropriate -

**Gross Profit Margin** The gross profit margin achieved for the year was 33.9% (2006 – 35.5%)

**Sales per direct employee** Sales per direct employee during the year were £3,799 (2006 - £2,789)

### **Results and dividend**

The results for the company are set out in the financial statements

The directors do not recommend the payment of a dividend

### **Directors**

The directors who held office during the year were as follows

- H Kaplan (Retired 7 February 2007)
- PG Durham
- WM Muir

None of the directors had any disclosable interest in the shares of the company at any time during the year. The interest of those directors in the shares of other group undertakings are disclosed in the accounts of IPC International Corporation (UK) Limited

### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business

**Touchline Event Management Limited**  
**Directors' Report for the Year Ended 30 September 2007**

*continued*

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure 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.

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

**Auditors**

The auditors, Leathers LLP, will be proposed for re-appointment at the Annual General Meeting in accordance with section 385 of the Companies Act 1985.

Approved by the Board and signed on its behalf by



WM Muir  
Company Secretary

Date *24 January 2008*

## **Independent Auditors' Report to the Members of Touchline Event Management Limited**

We have audited the financial statements of Touchline Event Management Limited for the year ended 30 September 2007 set out on pages 6 to 13. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our 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 described in the statement of Directors' responsibilities on page 2, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements. In addition, we report to you if, in our opinion, 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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an 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.

**Independent Auditors' Report to the Members of  
Touchline Event Management Limited**

*continued*

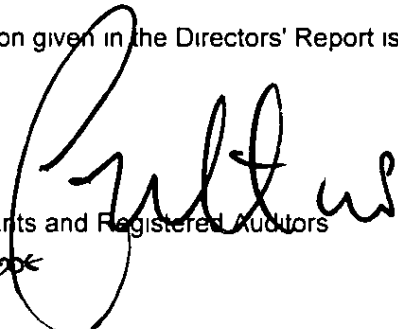
**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Leathers LLP  
Chartered Accountants and Registered Auditors

Date *24 January 2008*



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**Touchline Event Management Limited**  
**Profit and Loss Account for the Year Ended 30 September 2007**

	<b>Note</b>	<b>2007 £</b>	<b>2006 £</b>
Turnover	2	368,492	292,868
Cost of sales		(243,683)	(188,777)
<b>Gross profit</b>		<u>124,809</u>	<u>104,091</u>
Administrative expenses		(112,130)	(98,097)
<b>Operating profit</b>	3	<u>12,679</u>	<u>5,994</u>
<b>Profit on ordinary activities before taxation</b>		<u>12,679</u>	<u>5,994</u>
<b>Profit for the financial year</b>	12	<u><u>12,679</u></u>	<u><u>5,994</u></u>

Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

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



**Touchline Event Management Limited**  
**Balance Sheet as at 30 September 2007**

		2007		2006	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		206		321
<b>Current assets</b>					
Stocks	8	7,164		8,181	
Debtors	9	88,773		129,419	
Cash at bank and in hand		234,326		114,481	
		<u>330,263</u>		<u>252,081</u>	
<b>Creditors: Amounts falling due within one year</b>	10	<u>(102,813)</u>		<u>(37,425)</u>	
<b>Net current assets</b>			<u>227,450</u>		<u>214,656</u>
<b>Net assets</b>			<u>227,656</u>		<u>214,977</u>
<b>Capital and reserves</b>					
Called up share capital	11		100		100
Profit and loss reserve	12		<u>227,556</u>		<u>214,877</u>
<b>Equity shareholders' funds</b>	13		<u>227,656</u>		<u>214,977</u>

Approved by the Board on 24/10/08 and signed on its behalf by



WM Muir  
Director

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

**Touchline Event Management Limited**  
**Cash Flow Statement for the Year Ended 30 September 2007**

		2007	2006
	Note	£	£
Net cash flow from operating activities	15	119,845	10,212
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		-	(145)
		-	(145)
<b>Net cash flow</b>		<u>119,845</u>	<u>10,067</u>

**Reconciliation of net cash flow to movement in net debt**

		2007	2006
	Note	£	£
Increase in cash in the year	16	119,845	10,067
Change in net debt resulting from cash flows		<u>119,845</u>	<u>10,067</u>
Net funds at the start of the year	16	114,481	104,414
<b>Net funds at the end of the year</b>	16	<u>234,326</u>	<u>114,481</u>

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

## **Touchline Event Management Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2007**

#### **1 Accounting policies**

##### **Basis of preparation**

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

##### **Going concern**

The accounts have been prepared on a going concern basis

##### **Turnover**

Turnover represents amounts invoiced, net of value added tax, in respect of services to customers

##### **Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Fixtures and equipment	3-6 years
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##### **Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks

#### **2 Turnover**

An analysis of turnover by geographical market is given below

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
United Kingdom	<u>368,492</u>	<u>292,868</u>

#### **3 Operating profit**

Operating profit is stated after charging

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
The audit of the company's annual accounts	3,000	2,748
Depreciation of owned tangible fixed assets	<u>115</u>	<u>92</u>

## **Touchline Event Management Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2007**

*continued*

#### **4 Particulars of employees**

The average number of persons employed by the company during the year, analysed by category, was as follows

	<b>2007 No.</b>	<b>2006 No.</b>
Stewards	97	105
Administrative staff	1	1
Management staff	1	2
	<u>99</u>	<u>108</u>

The aggregate payroll costs of these persons were as follows

	<b>2007 £</b>	<b>2006 £</b>
Wages and salaries	262,187	211,627
Social security	6,430	5,292
	<u>268,617</u>	<u>216,919</u>

#### **5 Directors' emoluments**

No emoluments were paid to the directors during the year (2006 - £nil)

#### **6 Dividends**

No dividend has been recommended for the year ended 30 September 2007

**Touchline Event Management Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2007**

*continued*

**7 Tangible fixed assets**

	<b>Fixtures and equipment £</b>
<b>Cost</b>	
As at 1 October 2006 and 30 September 2007	<u>8,974</u>
<b>Depreciation</b>	
As at 1 October 2006	8,653
Charge for the year	<u>115</u>
As at 30 September 2007	<u>8,768</u>
<b>Net book value</b>	
As at 30 September 2007	<u>206</u>
As at 30 September 2006	<u>321</u>

**8 Stocks**

	<b>2007 £</b>	<b>2006 £</b>
Stocks	<u>7,164</u>	<u>8,181</u>

**9 Debtors**

	<b>2007 £</b>	<b>2006 £</b>
Trade debtors	87,180	84,850
Amounts owed by group undertakings	-	42,089
Other debtors	749	554
Prepayments and accrued income	<u>844</u>	<u>1,926</u>
	<u>88,773</u>	<u>129,419</u>

**Touchline Event Management Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2007**

*continued*

**10 Creditors: Amounts falling due within one year**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Trade creditors	4,356	3,257
Amounts owed to group undertakings	59,452	-
Social security and other taxes	18,684	14,608
Accruals and deferred income	20,321	19,560
	<u>102,813</u>	<u>37,425</u>

**11 Share capital**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
<b>Equity</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
<b>Equity</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**12 Reserves**

	<b>Profit and loss reserve</b>
	<b>£</b>
Balance at 1 October 2006	214,877
Transfer from profit and loss account for the year	12,679
Balance at 30 September 2007	<u>227,556</u>

**13 Reconciliation of movements in shareholders' funds**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Profit attributable to members of the company	12,679	5,994
Opening equity shareholders' funds	214,977	208,983
Closing equity shareholders' funds	<u>227,656</u>	<u>214,977</u>

# Touchline Event Management Limited

## Notes to the Financial Statements for the Year Ended 30 September 2007

*continued*

### 14 Contingencies

The company has entered into an unlimited bank cross guarantee with St James Security Limited, IPC International Corporation (UK) Limited and SJS (Holdings) Limited

### 15 Reconciliation of operating profit to operating cash flows

	2007 £	2006 £
Operating profit	12,679	5,994
Depreciation, amortisation and impairment charges	115	92
Decrease in stocks	1,017	1,116
Decrease in debtors	40,646	138,411
Increase/(decrease) in creditors	65,388	(135,401)
<b>Net cash inflow from operating activities</b>	<b>119,845</b>	<b>10,212</b>

### 16 Analysis of net funds

	At start of period £	Cash flow £	At end of period £
Cash at bank and in hand	114,481	119,845	234,326

### 17 Related parties

#### Controlling entity

The company's immediate parent undertaking was IPC International Corporation (UK) Limited, which owns 100% of the issued share capital

In the directors opinion, at 30 September 2007 the company's ultimate controlling party was H Kaplan, by virtue of his shareholding in IPC International Corporation, a company incorporated in the USA

#### Related party transactions

Under Financial Reporting Standard 8 the company is exempt from the requirements to disclose related party transactions with other group companies