Registered Number 03554468

The Way Ahead Group Limited

Report and Financial Statements

31 December 2011

Directors
R I Wilmshurst
S Roussel

Secretary
R I Wilmshurst (appointed 06 June 2011)

Auditors
Ernst & Young LLP
1 More London Place
London
SE1 2AF

Bankers
Royal Bank of Scotland
9th Floor
280 Bishopsgate
London
EC2M 4RB

Registered Office
Norfolk House,
47 Upper Parliament Street
Nottingham
NG1 2AB

Directors' report

The directors present their report and financial statements for the 17 month period ended 31 December 2011

Results and dividends

The profit for the period after taxation amounted to £6 3 million (year ended 31 July 2010 – profit of £3 3 million) A dividend of £4 957m was paid to See Group Limited during the period (year ended 31 July 2010 – £nil)

Principal activity and review of the business

The principal activity of the company during the period continued to be that of ticket agent for the live entertainment industry Results were achieved through providing the ticketing solution for a number of new events in addition to the non re-occurrence of one off costs from the prior year

The balance sheet on page 8 of the financial statements shows that the company's financial position at the period end had net assets of £10 4 million (year ended 31 July 2010 – assets of £9 1 million) The movement in the period reflects the trading result

The average number of employees has increased from 158 in 2010 to 194 in 2011 as a result of strong performance in the period whilst maintaining a strategic view of staffing requirements across the business

On 23 February 2011 the ultimate parent undertaking changed from See Investments B V , being majority owned by Parcom Capital Management B V the Private Equity firm of ING Group, to See UK Holdings B V being owned 100% by Parcom Capital Management

On 23 August 2011 the ultimate parent undertaking changed from See UK Holdings B V to Vivendi S A , a company listed on the French Stock exchange

Future developments

The company has developed tactical and strategic plans to ensure it remains competitive into the future Management processes have been implemented to monitor progress against critical success factors As a result profits are anticipated to grow in the coming year despite the economic headwind

Principal risks and uncertainties

The company faces competitive pressures from other ticketing agencies to attract and sell tickets for event promoters The company manages this risk by providing quality service to promoters, being able to react quickly to promoter queries and to maintain and develop strong relationships with new and continuing event promoters

Directors

The directors who served the company during the period were as follows

N G G Blackburn	(resigned 23 September 2010)
R I Wilmshurst	
S J M Hosman	(appointed 17 November 2010, resigned 24 February 2011)
C G W Taylor	(resigned 24 February 2011)
B J A Van Schriek	(resigned 24 February 2011)
P-H de Jager	(appointed 06 June 2011, resigned 23 August 2011)
S Roussel	(appointed 23 August 2011)

Directors' report

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

On behalf of the Board

R I Wilmshurst
Director

29th March 2012

Statement of directors' responsibilities

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 judgments and accounting 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They 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

Independent auditor's report

to the members of The Way Ahead Group Limited

We have audited the financial statements of The Way Ahead Group Limited for the period ended 31 December 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 20 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (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, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profits for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditor's report (continued)

to the members of The Way Away Group Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the company, 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

M. J. Wansbury

Michael Wansbury (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

3 0 MAR 2012

Profit and loss account

for the period ended 31 December 2011

	Notes	*17 months ended 31 December 2011 £000*	*Year ended 31 July 2010 £000*
Turnover	2	27,297	19,490
Cost of sales		(12,753)	(10,845)
Gross profit		14,544	8,645
Administrative expenses		(5,737)	(3,887)
Operating profit	3	8,807	4,758
Interest receivable and similar income	6	171	209
Interest payable and similar charges	7	(245)	(308)
Profit on ordinary activities before taxation		8,733	4,659
Tax on profit on ordinary activities	8	(2,473)	(1,373)
Profit for the financial period	16	6,260	3,286

All operations are continuing activities

Statement of total recognised gains and losses

for the period ended 31 December 2011

There are no recognised gains or losses other than the profits attributable to the shareholders of the company of £6 3m in the period ended 31 December 2011 (year ended 31 July 2010 – profit of £3 3m)

Balance sheet
at 31 December 2011

	Notes	*31 December 2011 £000*	*31 July 2010 £000*
Fixed assets			
Tangible assets	9	806	894
Investments	10	1,086	1,086
		1,892	1,980
Current assets			
Debtors falling due after more than one year	11	634	472
Debtors falling due within one year	11	29,163	19,348
		29,797	19,820
Cash at bank		3,875	11,165
		33,672	30,985
Creditors amounts falling due within one year	12	(25,139)	(23,844)
Net current assets		8,533	7,141
Total assets less current liabilities		10,425	9,121
Provisions for liabilities	13	(32)	(31)
Net assets		10,393	9,090
Capital and reserves			
Called up share capital	15	1	1
Profit and loss account	16	10,392	9,089
Shareholders' funds	16	10,393	9,090

Signed on behalf of the Board of Directors on 29th March 2012

R I Wilmshurst
Director

Notes to the financial statements

at 31 December 2011

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice)

Going concern

The company's business activities and its financial position are set out in the Directors' Report on pages 2 to 3

The directors have prepared forecasts and concluded that the company is able to operate and meet any obligations as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements

In addition, the group has support from Vivendi SA, a French company listed on the French stock exchange and the Ultimate parent company

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements

Group financial statements

The company is exempt from the requirement to prepare group financial statements by virtue of section 400 of The Companies Act 2006 as the company is a wholly owned subsidiary These financial statements present information about the company as an individual undertaking and not about its group

Statement of cash flows

As permitted by FRS 1 'Statement of Cash Flows', the company has not prepared a statement of cash flows on the grounds that the company is a wholly owned subsidiary and its intermediate parent undertaking publishes a group cash flow statement

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment

Depreciation is calculated to write off the cost of assets over their anticipated useful lives as follows

Fixtures and fittings	–	4 years
Computer equipment	–	4 years
Plant and equipment	–	4 years
Leasehold improvements	–	for the remaining life of the lease

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Revenue recognition

Revenue is recognised to the extent that the company obtains the right of consideration in exchange for its performance Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty The following criteria must also be met before revenue is recognised

Sales of goods Revenue from the sale of tickets is recognised when the significant risks and rewards of ownership have passed to the buyer, whether or not the goods have yet been despatched

Notes to the financial statements
at 31 December 2011

1. Accounting policies (continued)

Interest

Interest income represents bank interest received and interest receivable from group financing arrangements

Interest payable represents bank interest paid and accrued during the period and interest paid on other loans

Investments

Investments held in fixed assets are stated at cost less provision for impairment Where valuation is less than cost and this is considered to represent an impairment in value, full provision for the unrealised loss is charged against the profit and loss account

Taxation

The charge/ (credit) for taxation is based on the profit/ (loss) for the period and takes into account taxation deferred because of the timing differences between the treatment of certain items for taxation and accounting purposes

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that result in an obligation to pay more tax in the future or a right to pay less tax in future

Timing differences are the difference between the company's taxable profit and loss and its results as stated in the financial statements No deferred tax is recognised on permanent differences

Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on tax rates and law that have been enacted or substantively enacted by the balance sheet date Deferred tax is measured on a non-discounted basis Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the contracted date of the transaction Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date All differences are taken to the profit and loss account

Operating leases

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the term of the lease

Notes to the financial statements

at 31 December 2011

1. Accounting policies (continued)

Signing on fees

Amounts paid to secure contracts with promoters are held as debtors and amortised over the life of the contracts Any impairments in value are recognised as incurred

Pensions

The company operates a defined contribution pension plan, contributions to personal pension schemes are charged to the profit and loss account in the period in which they become payable

2. Turnover

Turnover is derived within the United Kingdom from commissions earned on the sale of tickets and associated services and recognised at the point of sale, except for coach revenue which is recognised at the event date Turnover excludes Value Added Tax

3. Operating profit

This is stated after charging

	17 months ended 31 December 2011	*Year ended 31 July 2010*
	£000	*£000*
Depreciation of tangible fixed assets	554	371
Amortisation of signing on fees	922	464
Operating lease rentals	317	286
Auditor's remuneration		
Fees payable to the company's auditors for the audit of the company's statutory financial statements	34	37
Fees payable to the company's auditors other services to the group		
Taxation services	20	-
Total audit fees	54	37

Notes to the financial statements
at 31 December 2011

4. Directors' remuneration

	17 months ended 31 December 2011 £000	*Year ended 31 July 2010 £000*
Remuneration	355	200
Company contributions paid to pension schemes	14	10
	369	210

	17 months ended 31 December 2011 £000	*Year ended 31 July 2010 £000*
Members of defined contribution pension scheme	–	–
Members of personal pension scheme	1	1

The amounts in respect of the highest paid director are as follows

	17 months ended 31 December 2011 £000	*Year ended 31 July 2010 £000*
Remuneration	355	200
Company contributions paid to personal pension scheme	14	10
	369	210

Certain directors are also directors or officers of a number of companies within the group The directors' services to the company do not occupy a significant amount of their time As such the directors do not consider that they have received any remuneration for their incidental services to the company for the current or prior year

Notes to the financial statements

at 31 December 2011

5. Staff costs

	17 months ended 31 December 2011 £000	*Year ended 31 July 2010 £000*
Wages and salaries	4,462	2,636
Social security costs	321	183
Defined contribution pension costs	40	25
	4,823	2,844

The average monthly number of employees (excluding directors) during the period was as follows

	17 months ended 31 December 2011 No	*Year ended 31 July 2010 No*
Office and management	3	3
Administration staff	45	40
Operators	146	115
	194	158

6. Interest receivable and similar income

	17 months ended 31 December 2011 £000	*Year ended 31 July 2010 £000*
Bank interest	81	39
Interest receivable – Other	-	–
Interest receivable from group undertakings	90	170
Exchange gain on foreign currency borrowings	-	–
	171	209

Notes to the financial statements

at 31 December 2011

7. Interest payable and similar charges

	17 months ended 31 December 2011 £000	Year ended 31 July 2010 £000
Exchange gain on foreign currency borrowings	(78)	127
Other interest	323	181
	245	308

8. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	17 months ended 31 December 2011 £000	Year ended 31 July 2010 £000
Current tax		
UK corporation tax on the profit for the period	1,841	–
Payment in respect of group relief	600	1,468
Prior period adjustments		93
Total current tax (note 8(b))	2,441	1,561
Deferred tax		
Origination and reversal of timing differences	32	(198)
Effect of change in tax rate		10
Tax on profit on ordinary activities	2,473	1,373

Notes to the financial statements

at 31 December 2011

8. Tax (continued)

(b) Factors affecting current tax charge for the period

The tax assessed on the profit/(loss) on ordinary activities for the year is lower [higher] than the average rate of corporation tax in the UK of 27% (2010 - 28%)

The UK Government announced a phased reduction in the main UK corporation tax rate from 28% to 22%, with the first 2% reduction taking effect from 1 April 2011 A further 1% reduction was enacted on 5 July 2011 On 21 March 2012, the chancellor announced a further 1% reduction in the rate from 1 April 2012 This was not substantially enacted at the balance sheet date but would reduce the rate to 24% from 1 April 2012 Deferred tax assets and liabilities are measured at the rate that is expected to apply to the period when the asset is realised or the liability is settled, based on the rates that have been enacted or substantively enacted at the balance sheet date Therefore, at 31 December 2011, deferred tax assets and liabilities have been calculated based on the rates that have been substantively enacted by the balance sheet date

	17 months ended 31 December 2011 £000	*Year ended 31 July 2010 £000*
Profit on ordinary activities before tax	8,733	4,659
Profit on ordinary activities at the average rate of corporation tax in the UK of 27% (31 July 2010 – 28%)	2,358	1,305
Effects of		
Expenses not deductible for tax purposes	94	58
Depreciation in excess of capital allowance	(16)	104
Other timing differences		1
Prior year adjustments	0	93
Impact of change in tax rate	5	
Current tax for the period (note 8(a))	2,441	1,561

c) Factors that may affect future tax charges

The future reductions to 22% have not been enacted at the balance sheet date so the effect of these has not been reflected in these financial statements, however it is not expected that these changes would have a significant effect on the value of the company's deferred tax balances at the balance sheet date The effect of these changes would be to reduce the deferred tax asset by £29,507

Notes to the financial statements
at 31 December 2011

9. Tangible fixed assets

	Plant and equipment £000	*Fixtures and fittings £000*	*Computers £000*	*Short leasehold improvements £000*	*Total £000*
Cost					
At 1 August 2010	124	151	2,116	48	2,439
Additions	30	32	404	–	466
At 31 December 2011	154	183	2,520	48	2,905
Depreciation					
At 1 August 2010	(98)	(107)	(1,334)	(6)	(1,545)
Charge for the period	(13)	(31)	(499)	(11)	(554)
At 31 December 2011	(111)	(138)	(1,833)	(17)	(2,099)
Net book value					
At 31 December 2011	43	45	687	31	806
At 1 August 2010	26	44	782	42	894

10. Investments

	£000
Cost	
At 1 August 2010 and 31 December 2011	1,086

The investments relates to a 100% interest in the ordinary share capital of Intascape com Limited Its principal activity is software development

11. Debtors

	2011 £000	*2010 £000*
Amounts falling due in less than one year		
Trade debtors	579	317
Amounts due from group undertakings	26,981	17,122
Prepayments and accrued income	1,374	1,136
Deferred tax asset	229	261
Corporation tax recoverable	–	512
	29,163	19,348
Amounts falling due after more than one year		
Other debtors	634	472

Notes to the financial statements

at 31 December 2011

12. Creditors: amounts falling due within one year

	2011	*2010*
	£000	*£000*
Trade creditors	2,181	1,247
Amounts owed to group undertakings	1,720	1,236
UK Corporation tax on profit for the year	436	
Group relief payable to fellow subsidiary undertakings	600	1,468
Social security and other taxes	11,281	9,686
Accruals and deferred income	8,600	9,955
Other creditors	320	252
	25,139	23,844

13. Provisions for liabilities

	2011	*2010*
	£000	*£000*
Provision for leasehold dilapidations	32	31

Amounts provided in respect of dilapidations of leasehold premises relate to the cost of making good the wear and tear on the premises during the company's occupancy The company has provided an amount of £32,000 (year ended 31 July 2010 – £31,000) in respect of this, which is expected to be utilised over the remaining life of the lease

14. Deferred tax

A deferred tax asset of £229,247 (year ended 31 July 2010 – £261,454), arising due to capital allowances in excess of depreciation charges, has been recognised in the financial statements and is anticipated to be recovered over the coming years

	2011	*2010*
	£	*£*
Accelerated capital allowances	227	260
Other timing differences	2	1
	229	261

Notes to the financial statements

at 31 December 2011

15. Issued share capital

Allotted, called up and fully paid	*2011* £	*2010* £
1,100 'A' Ordinary Shares of 25p each	275	275
463 'B' Ordinary shares of 50p each	232	232

Only the 'A' ordinary shareholders are entitled (to the exclusion of the 'B' ordinary shareholders) to 100% of any distribution of the company's post-adoption profits The 'B' ordinary shareholders are entitled (to the exclusion of the 'A' ordinary shareholders) to 100% of any distribution of the company's pre-adoption profits

On winding up or other return of capital the surplus assets of the company shall be paid to 'B' ordinary shareholders in priority to the rights of holders of 'A' ordinary shares The balance of any surplus assets shall be paid to the 'A' ordinary shareholders by reference to the amounts paid up or credited as paid up on such shares respectively held by them

16. Reconciliation of shareholders' funds and movements on reserves

	Share capital £	*Profit and loss account* £	*Total share-holders' funds £000* £
At 1 August 2009	1	5,803	5,804
Profit for the year	–	3,286	3,286
At 1 August 2010	1	9,089	9,090
Profit for the period	–	6,260	6,260
Dividend payment to See Group Ltd	–	(4,957)	(4,957)
At 31 December 2011	1	10,392	10,393

17. Pensions

The pension cost charge represents contributions of £39,823 (year ended 31 July 2010 – £25,173) payable by the company to personal pension schemes Pension contributions accrued but not paid by the period end were £6,153 (year ended 31 July 2010 – £3,806)

Notes to the financial statements

at 31 December 2011

18. Other financial commitments

At 31 December 2011 the company had annual commıtments under non-cancellable operatıng leases as set out below

		2011		*2010*
	Land and buıldıngs	*Other*	*Land and buıldıngs*	*Other*
	£000	*£000*	*£000*	*£000*
Operatıng leases which expıre				
Wıthın one year	–	3	–	3
Wıthın two to five years	134	21	132	17
More than five years	120	–	–	–
	254	24	132	20

19. Related parties

The company has taken advantage of exemptıons from dısclosures granted by FRS 8 'Related Party Transactıons', not to dısclose transactıons wıth other group companıes The exemptıons taken relate to the dısclosure of the ıntra-company transactıons only

20. Ultimate parent undertaking and controlling party

The ımmedıate parent company ıs See Group Lımıted, a company ıncorporated ın the Unıted Kıngdom

On 23 August 2011, the ultımate parent undertakıng changed from See UK Holdıngs B V beıng 100% owned by Parcom Capıtal Management B V , to beıng 100% owned by Vıvendı SA, a French company lısted on the French stock exchange