Registered No 3877786

SIT-UP LIMITED

Financial Statements
For the year ended 31 December 2009

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SIT-UP LIMITED
Directors' report for the year ended 31 December 2009

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2009

Ownership
On 1 April 2009 the Company was sold by Virgin Media Inc and became a wholly owned subsidiary of Aurelius AG

Principal activity
The principal activity of the Company during the year was television and online home shopping The directors do not anticipate that the business of the Company will change in the foreseeable future

Review of business and future developments
The results for the year are set out in the profit and loss account on page 6

The directors consider that the Company has traded satisfactorily in a challenging UK retail market Turnover decreased by 29% to £170 5 million (2008 £240 3 million) as a result of the loss of price-**drop tv** Freeview distribution from January 2009 until 27 August 2009, the decline in the economic environment and a decision taken to focus on improving margin at the expense of volume The profit before tax amounted to £2 9 million (2008 – £1 9 million)

The directors anticipate a continuing tough UK retail climate in 2010 but believe that sit-up's strength as a value retailer will continue to mitigate the effects of the economic downturn

The Company's **bid tv, price-drop tv and speedauction tv brands** are live interactive television and internet channels which auction a wide variety of goods using a falling price mechanism The bid tv and price-drop tv channels were available in over 23 million homes in the UK on Sky Digital, Virgin Media, Freeview and Freesat, as well as on the internet at www bid tv and www price-drop tv, during the year ended 31 December 2009 speedauction tv is available on the Sky digital, Virgin Media and Freesat platforms as well as on the internet at www speedauction tv

There was a decrease in the average number of staff employed from 470 to 398 as sit-up undertook a review of operations during the year which resulted in a number of redundancies As a result of the reduction in turnover noted above the employment costs for the year as a percentage of turnover have increased to 9 2% (2008 – 7 4%)

The Company reported a decrease in both net current assets and net assets as at 31 December 2009 as a result of the declaration and payment of a dividend of £19,000,000 on 31 March 2009

No external finance was arranged or settled and there was no movement in the called up equity share capital of the Company for the year ended 31 December 2009 Operations were financed through the Company's own working capital and profit

The satisfactory trading performance in a difficult trading environment enabled the Company to maintain a positive cash balance throughout the year and the cash balance as at 31 December 2009 was £27 3 million (2008 - £28 5 million)

Going Concern
The Company continues to adopt the going concern basis of accounting as it has considerable financial resources to continue in operational existence for the foreseeable future For further details, refer to note1 Accounting policies within the financial statements

Financial risk management
The Company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk, interest rate risk and foreign exchange risk

Credit risk
Credit risk is the risk that one party to a transaction will cause a financial loss for the other party by failing to discharge an obligation The nature of the Company's business is such that significantly all transactions require settlement at the point of shipment of goods to the customer It is not practical to instigate credit checks on all potential customers and reliance is placed on the prompt settlement of payments by the major credit and debit card companies In addition, the exposure is limited due to the high level of relatively low value transactions and high number of customers

The Company deposits surplus cash balances with banks and other financial institutions with suitably high independent ratings

Liquidity risk
The Company is funded by a combination of equity and retained earnings and substantial cash deposits and has no external debt at the balance sheet date

Interest rate risk
The Company's policy is not to hedge against interest rate risk in respect of inter-company debt

The Company primarily has interest bearing assets, which comprise cash balances and a loan to the immediate parent undertaking The interest rates are not fixed and so are subject to fluctuation The Company does not use derivative financial instruments to manage interest rate risks

Foreign exchange risk
The Company uses forward foreign currency contracts to reduce exposure to the variability of foreign exchange rates There are no forward foreign currency contracts in place at the balance sheet date

The directors will revisit the appropriateness of these policies should the Company's operations change in size or nature

Results and dividends
The profit for the financial year amounted to £2,604,000 (2008 loss - £ 114,000) The directors recommend a final dividend of £ 0796 per ordinary share amounting to £1,000,000 On 31 March 2009 a final dividend was paid for year ended 31 December 2008 of £1 5124 per ordinary share amounting to a total of £19,000,000 (2007 - £nil)

Directors
The directors of the Company who held office during the year and thereafter were as follows

I C Percival	(Resigned 26/03/2009 and Reappointed 1/04/2009)
Ardnt Greiffenhofer	(Appointed 1/04/2009)
M R Wall	(Resigned 26/02/2009)
S R Holmes	(Resigned 26/02/2009)
R M Mackenzie	(Appointed 26/02/2009 and Resigned 01/04/2009)
R C Gale	(Appointed 26/02/2009 and Resigned 01/04/2009)

Director interests
The directors have no beneficial interest in the shares of the Company at 1 January 2009 and 31 December 2009

Employees
Consultation with employees or their representatives has continued at all levels, including the use of an Employee Forum, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of the Company Communication with all employees continues through periodic briefings and the in-house intranet The annual report is available on the Company internet site

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and the appropriate training is arranged It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability

Creditor payment policy
The Company's policy concerning the payment of trade creditors is to settle the terms of payment with suppliers when agreeing the terms of each transaction Creditors are paid in accordance with the Company's contractual and other legal obligations Total creditors, at the year-end, represented 47 days (2008 - 47 days) of purchases

Disclosure of information to the auditor

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 Company's auditor is unaware Having made enquiries of fellow directors each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies' Act 2006

Auditor
Ernst & Young LLP were replaced as the Company's auditor by Deloitte LLP in accordance with the elective resolution passed by the Company under s 485 of the Companies Act 2006 for the appointment of new auditors of the Company on 4 December 2009

By order of the Board

B Crenol
Company Secretary
30 April 2010

SIT-UP LIMITED
Statement of Directors' Responsibilities for the year ended 31 December 2009

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with 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, 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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

SIT-UP LIMITED
Independent auditors to the member of sit-up Limited

We have audited the financial statements of sit-up Limited for the year ended 31 December 2009 which comprise of Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 25 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 auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

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

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its profit for the year 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 year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have 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

M. R-Lee-Amies

Mark Lee-Amies (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom
30 April 2010

SIT-UP LIMITED
Profit and loss account for the year ended 31 December 2009

	Notes	2009 £'000	2008 £'000
Turnover	2	**170,529**	240,253
Other operating income	3	**1,752**	1,463
		172,281	241,716
Cost of sales		**(116,201)**	(181,987)
Gross profit		**56,080**	59,729
Administrative expenses	4,7	**(53,717)**	(61,394)
Operating profit/(loss)	4	**2,363**	(1,665)
Interest payable and similar charges	8	**(94)**	(75)
Interest receivable and other similar income	9	**585**	3,629
Profit on ordinary activities before taxation		**2,854**	1,889
Taxation	10	**(250)**	(2,003)
Profit/(loss)on ordinary activities after taxation	20	**2,604**	(114)

All results relate to the continuing operations of the Company

There are no recognised gains and losses other than the profit of £2,604,000 attributable to the shareholder for the year ended 31 December 2009 (2008 loss - £114,000), therefore no separate statement of total recognised gains and losses has been prepared

SIT-UP LIMITED
Balance sheet as at 31 December 2009

	Notes	2009 £'000	2008 £'000
Fixed assets			
Tangible fixed assets	*11*	**3,641**	5,680
Current assets			
Stocks	*13*	**5,706**	7,198
Debtors	*14*	**25,117**	42,788
Cash at bank and in hand		**27,342**	28,531
		58,165	78,517
Creditors amounts falling due within one year	*15*	**(30,830)**	(36,887)
Net current assets		**27,335**	41,630
Total assets less current liabilities		**30,976**	47,310
Provision for liabilities	*16*	**(484)**	(422)
Net assets		**30,492**	46,888
Capital and reserves			
Called up share capital	*17*	**126**	126
Share premium account	*19*	**26,235**	26,235
Capital redemption reserve	*19*	**5**	5
Profit and loss account	*19*	**4,126**	20,522
Total shareholder's funds	*20*	**30,492**	46,888

The financial statements of sit-up Limited, company registration number 3877786, were approved by the board of directors and authorised for issue on 30 April 2010 and signed on their behalf by

I Percival
Director

30 April 2010

SIT-UP LIMITED
Cash flow statement for the year ended 31 December 2009

	Notes	2009 £'000	2008 £'000
Net cash outflow from operating activities	21	(7,355)	(1,414)
Returns on investment and servicing of finance			
Interest received		528	3,629
Net cash inflow from returns on investments and servicing of finance		528	3,629
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(366)	(1,810)
Proceeds from sale of assets		4	4
Net cash outflow from capital expenditure and financial investment		(362)	(1,806)
Net cash (outflow)/inflow before financing		(7,189)	409
Financing			
Equity dividends paid		(19,000)	-
Repayment of loan from Virgin Media Group		35,000	-
Loan to Parent Company		(10,000)	-
Net cash inflow from financing		6,000	-
(Decrease)/Increase in cash in the year	22	(1,189)	409

SIT-UP LIMITED
Notes to the financial statements for year ended 31 December 2009 (continued)

1. Accounting policies

Basis of accounting
These financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom Accounting policies for all material transactions have been applied consistently, unless otherwise stated, and are set out below

Going Concern
The Company has considerable financial resources together with long-term contracts with a number of key suppliers The Company is funded wholly by equity and retained earnings and has no external financing in the form of loans or overdraft facilities As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current economic outlook Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Turnover
Turnover, which is stated net of Value Added Tax and discounts given, represents the invoiced value of goods and services supplied, less actual and expected returns, refunds and credit card charge-backs

Turnover is recognised in the profit and loss account upon despatch of the goods to the customer

Other operating income
Other operating income is stated net of Value Added Tax and recognised when the service to which the income relates has been satisfactorily performed in accordance with the relevant contract

Interest revenue
Revenue is recognised as interest accrues using the effective interest method

Pension scheme arrangements
The Company facilitates payments of pension contributions by its employees into a stakeholder pension scheme that is separately administered by an independent Company It also makes contributions to certain employees' personal defined contribution pension schemes These pension costs are charged to the profit and loss account as contributions become payable

Foreign currencies
Foreign currency transactions are translated to sterling at the rate of exchange on the day of the transaction Monetary assets or liabilities denominated in foreign currencies at the balance sheet date are translated to sterling at the year-end rate and any exchange differences are recognised in the profit and loss account

Deferred Tax
Deferred tax 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 will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

SIT-UP LIMITED

Notes to the financial statements for year ended 31 December 2009 (continued)

Current Tax
Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date

Tangible fixed assets
Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition Incremental internal and external staff costs are capitalised where they relate to clearly defined software development projects 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

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned The principal annual terms used for this purpose are

Short leasehold properties	over length of the lease
IT and studio equipment	3 – 5 years
Fixtures and fittings	3 – 5 years
Studio set	1 year

Stock
Stock is stated at the lower of cost and net realisable value In general, cost is determined on a first in first out basis Where necessary, provision is made for obsolete, slow moving and defective stock

Provisions for liabilities
A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation

Operating leases
Rentals applicable to operating leases, where substantially all of the benefits of ownership remain with the lessor, are charged against profits on a straight-line basis over the period of the lease

Share-based payments
The Company has no share-based compensation plans Certain of the Company's employees were entitled to participate in the Virgin Media Inc Stock Incentive Plan On the acquisition of the Company by Aurelius Innovations Development GmbH these Virgin Media group share based schemes terminated

2. Turnover

The Company's turnover arises principally in the United Kingdom where its assets are located, and in one class of business

3. Other operating income

Other operating income arises primarily from the commissions from the introductions of customers to third parties and also from the sale of customer lists

4. Operating profit

	2009 £'000	2008 £'000
The operating profit is stated after charging/(crediting)		
Net foreign exchange (gains)/losses.	**(392)**	(1,224)
Depreciation on tangible fixed assets		
Owned assets	**2,112**	2,293
Total Fees payable to the Company's auditors for the audit of the Company's annual accounts	**70**	85
Tax services	**5**	-
Total non-audit fees	**5**	-
Operating lease charges		
- Plant and machinery	**20**	37
Profit on disposal of fixed assets	**4**	4

Certain expenses are specifically attributable to the Company Where costs are incurred by other group companies on behalf of the Company, expenses are allocated to the Company on a basis that, in the opinion of the directors, is reasonable

5. Directors' remuneration

	2009 £'000	2008 £'000
Emoluments (including benefits in kind)	**393**	313
Company contributions to personal pension scheme	**24**	24
Amounts receivable under Long Term Incentive Plan (LTIP)	**283**	20
	700	357
Highest paid director		
Emoluments (including benefits in kind)	**393**	313
Company contributions to personal pension scheme	**24**	24
Amounts receivable under Long Term Incentive Plan	**283**	20

MR Wall, SR Holmes, RC Gale, RM McKenzie and A Greiffenhofer did not receive any emoluments for their services as directors of the Company

6. Share-based payments

The Company was an indirect, wholly-owned subsidiary of Virgin Media Inc until 31 March 2009 Whilst the Company has no share-based compensation plan of its own certain of the Company's employees (including directors) participated in the share-based plan of Virgin Media Inc until the sale of the company on 1 April 2009

The expense in the financial statements of the Company relating to the payment of the share-based compensation of certain of its employees is £120,560 (2008 - £482,251) At the point of sale all of these share-based options were terminated

7. Employees

The average number of persons (including executive directors) employed by the Company during the year was

	2009 Number	2008 Number
By Activity		
Administration	**398**	470

Staff costs (for the above persons)	**£'000**	£'000
Wages and salaries	**14,143**	15,410
Social security costs	**1,420**	1,725
Pension costs	**80**	95
Share based payments	**121**	482
	15,764	17,712

Pension contributions of £nil (2008 - £1,514) were outstanding at the year end

8. Interest payable and similar charges

	2009 £'000	2008 £'000
Unwind of discount on provision (see note 14)	**94**	75
	94	75

9. Interest receivable and other similar income

	2009 £'000	2008 £'000
Bank interest receivable	**155**	1,039
Interest on loan to parent undertaking Virgin Media group	**379**	2,590
Interest on loan to parent undertaking Aurelius Innovation Developments GmbH	**51**	-
	585	3,629

10. Tax on profit on ordinary activities

	2009	2008
Current tax	£'000	£'000
UK Corporation tax	250	-
Total current tax	250	-
Deferred tax		
Origination and reversal of timing differences	-	504
Adjustments in respect of change of rate	-	2
Adjustments in respect of prior periods	-	1,497
Total deferred tax	-	2,003
Tax on ordinary activities	250	2,003

The current tax charge for the year is lower than the standard rate of corporation tax in the UK 28% (2008 - 28 5%)

The differences are explained below

	2009	2008
	£'000	£'000
Profit on ordinary activities before tax	2,854	1,889
Tax on pre tax profit at 28% (2008 – 28 5%)	799	538
Effects of		
Expenses not deductible/(income not taxable)	44	140
Accelerated capital allowances & other timing differences	8	(504)
Utilisation of tax losses of fellow group undertaking	(601)	(174)
Current tax	250	-

The company has reduced its tax charge by utilising tax losses of a fellow subsidiary There will be no payment due for these tax losses

Deferred Tax
The amount of deferred tax is as follows

Tax effect of timing differences because of	2009 Provided £'000	2009 Un-provided £'000	2008 Provided £'000	2008 Un-Provided £'000
Excess of depreciation over capital allowances	-	(1,346)	-	(1,457)
Short term timing differences	-	(58)	-	(46)
	-	(1,404)	-	(1,503)

Deferred tax assets at 31 December 2009 of £1,346,000 (2008 - £1,457,000) in respect of depreciation in excess of Capital allowances and £58,000 (2008 - £46,000) in respect of short term timing differences have not been recognised as there is currently no persuasive evidence that there will be suitable taxable profits against which these timing differences will reverse

10. Tax on profit on ordinary activities (continued)

Analysis of movement in deferred tax asset held within current assets

	2009	2008
	£'000	£'000
As at 1 January	-	(2,003)
Profit and loss account	-	2,003
As at 31 December	-	-

The UK Corporation tax rate decreased from 30% to 28% from 1 April 2008

11. Tangible fixed assets

	Short leasehold properties £'000	IT and studio equipment £'000	Fixtures and fittings £'000	Studio set £'000	Total £'000
Cost					
At 1 January 2009	2,221	7,581	1,261	36	11,099
Additions	-	64	9	-	73
Disposals	(372)	(1,544)	(407)	(35)	(2,358)
At 31 December 2009	**1,849**	**6,101**	**863**	**1**	**8,814**
Depreciation					
At 1 January 2009	1,285	3,405	717	12	5,419
Charge for the year	173	1,652	263	24	2,112
Disposals	(372)	(1,544)	(407)	(35)	(2,358)
At 31 December 2009	**1,086**	**3,513**	**573**	**1**	**5,173**
Net book Value					
At 31 December 2009	**763**	**2,588**	**290**	**-**	**3,641**
At 31 December 2008	936	4,176	544	24	5,680

12. Investments in subsidiaries

During the year the Company incorporated Ocean Tree Trading Limited a company incorporated in the UK Ocean Tree Trading Limited is wholly-owned dormant subsidiary of the Company

13. Stock

	2009	2008
	£'000	£'000
Finished goods for resale	5,706	7,198

SIT-UP LIMITED

Notes to the financial statements for year ended 31 December 2009 (continued)

14. Debtors

		2009	2008
		£'000	£'000
Trade debtors		**2,473**	2,427
Amounts owed by parent undertaking		**10,051**	35,000
Other debtors		**496**	422
Prepayments	(ref note 21)	**10,295**	2,094
Accrued income		**1,802**	2,845
		25,117	42,788

Included in other debtors are amounts due after more than one year totalling £135,000 (2008 - £135,000) in respect of a rent deposit

Included in amounts owed by parent undertaking is a loan for £10 million The rate of interest on the loan is linked to 3 months Euro Interbank Offered Rate at the European Central Bank and ranged from 0 71% - 1 28% (2008 related to a separate loan with Virgin Media Group which was repaid during the year and rates ranged from 6 25% - 7 93% LIBOR 3 month rate) The current amount owed by the parent undertaking is repayable on or prior to 27 May 2010

15. Creditors: amounts falling due within one year

	2009	2008
	£'000	£'000
Trade creditors	**18,379**	26,368
Amounts due to fellow group undertakings	**224**	1,276
Other creditors, taxation and social security costs	**3,336**	3,454
Accruals and deferred income	**8,641**	5,789
Corporation tax payable	**250**	-
	30,830	36,887

Amounts owed to fellow group undertakings occur in the normal course of business and are unsecured, interest free and repayable on demand

16 Provision for liabilities

	2009
	£'000
Provision for lease dilapidations	
At 1 January 2009	**422**
Released during the year	**(27)**
Unwind of discount on provision	**94**
Paid during year	**(5)**
At 31 December 2009	**484**

The Company has made alterations to certain of its leased properties Provision has been made for the obligation that exists to return the properties to their original state at the end of the lease

17. Called up share capital

	2009	2008
	£'000	£'000
Authorised		
17,100,000 (2007 - 17,100,000) ordinary shares of 1p each	**171**	171
500,000 (2008 - 500,000) preference shares of 1p each	**5**	5
	176	176

	2009	2008
	£'000	£'000
Issued and fully paid		
12,563,114 (2008 - 12,563,114) ordinary shares of 1p each	**126**	126

18. Dividends on equity shares

	2009	2008
	£'000	£'000
Amounts recognised as distributions to equity holders in the period		
Final dividend for year ended 31 December 2008 of 151 24p (2007 - nil) per ordinary share	**19,000**	-
Proposed for approval by shareholders		
Proposed final dividend for 2009 - 7 96p (2008 - 151 24p)	**1,000**	19,000

19. Reserves

	Share Premium	Capital redemption reserve	Profit and loss account
	£'000	**£'000**	**£'000**
At 1 January 2009	**26,235**	**5**	**20,522**
Profit for the year	-	-	**2,604**
Dividends paid on equity shares	-	-	**(19,000)**
At 31 December 2009	**26,235**	**5**	**4,126**

SIT-UP LIMITED
Notes to the financial statements for year ended 31 December 2009 (continued)

20. Reconciliation of movements in shareholder's funds

	2009	2008
	£'000	£'000
Opening shareholder's funds	46,888	47,002
Profit/(loss) for the financial year	2,604	(114)
Dividends paid on equity shares	(19,000)	-
Closing shareholder's funds	30,492	46,888

21. Reconciliation of operating profit to net cash inflow from operating activities

	2009	2008
	£'000	£'000
Operating profit/(loss)	2,363	(1,665)
Depreciation on tangible fixed assets	2,111	2,293
Gain on disposal of tangible fixed assets	(4)	(4)
Decrease in stock	1,492	4,588
(Increase)/decrease in debtors	(7,272)	681
(Decrease) in creditors and provisions	(6,045)	(7,307)
Net cash (outflow) from operating activities	(7,355)	(1,414)

Included in outflow on debtors is a prepayment of £8 5 million made during the year for securing future channel distribution rights

22. Reconciliation of movement in net funds

	As at 1 January 2009	Cash flow	As at 31 December 2009
	£'000	£'000	£'000
Cash at bank and in hand	28,531	(1,189)	27,342
	28,531	(1,189)	27,342

23. Financial commitments

At 31 December the Company had annual commitments under non-cancellable operating leases and long-term contracts as follows

	Land and buildings		*Other*	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Expiring within one year	56	42	372	209
Expiring in one to five years	207	447	88	364
Expiring in over five years	198	198	68	-
	461	687	528	573

The Company had no capital commitments at 31 December 2009 (2008 - £nil)

SIT-UP LIMITED
Notes to the financial statements for year ended 31 December 2009 (continued)

24. Related party transactions

The Company has taken advantage of the exemption granted by paragraph 3c of FRS 8 – Related Party Disclosures, not to disclose transactions with group undertakings as it is a subsidiary undertaking which is 100% controlled by the ultimate parent undertaking

25. Parent undertaking and controlling party

The immediate parent company of sit-up Limited is sit-up Beteiligungs GmbH a company registered in Munich, Germany

The ultimate parent company and controlling entity of sit-up Limited and the smallest and largest group which prepares consolidated financial statements of which the Company forms a part is Aurelius AG, a company incorporated in Munich, Germany

A copy of the consolidated financial statements of Aurelius AG for the year ended 31 December 2009, which is publically available, may be obtained from the website of Aurelius AG www aureliusinvest com