

COMPANY REGISTRATION NUMBER 3891053

PA Sport UK Limited
Annual report and financial statements
31 December 2010

FRIDAY



A29 *A4LZXZR* 81
30/09/2011
COMPANIES HOUSE

PA Sport UK Limited
Financial statements
Year ended 31 December 2010

| Contents | Page |
|--|-------------|
| Officers and professional advisers | 1 |
| The directors' report | 2 |
| Independent auditor's report to the shareholders | 4 |
| Profit and loss account | 6 |
| Balance sheet | 7 |
| Accounting policies | 8 |
| Notes to the financial statements | 10 |

PA Sport UK Limited
Officers and professional advisers

| | |
|-------------------------------|--|
| The board of directors | SJ Brown JW Donnelley CP Marshall |
| Company secretary | SJ Brown |
| Registered office | 292 Vauxhall Bridge Road London SW1V 1AE |
| Independent auditors | PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 2 Humber Quays Wellington Street West Hull HU1 2BN |
| Bankers | Lloyds Banking Group Plc 9 Marina Court Hull HU1 1TJ |
| Solicitors | K&L Gates LLP 110 Cannon Street London EC4N 6AR |

PA Sport UK Limited

The directors' report

Year ended 31 December 2010

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 31 December 2010

Principal activities and business review

The principal activity of the company during the year was the provision of sports data and information to the media and other customers

Results and dividends

The profit for the year, after taxation, amounted to £52,000 (2009 profit of £1,442,000) The directors have not recommended a dividend (2009 £nil) The resulting profit of £52,000 (2009 £1,442,000) has been transferred from reserves The results of the parent undertaking, PA Group Limited, which include those of the company, are discussed in the group's annual report, which does not form part of this report

Principal risks and uncertainties

The directors of PA Group Limited manage the group's risks at a group level, rather than at an individual business unit level For this reason, the company's directors believe that a discussion of the group's risks would not be appropriate for an understanding of the development, performance or position of PA Sport UK Limited's business The principal risks and uncertainties of PA Group Limited, which include those of the company, are discussed in the group's annual report, which does not form part of of this report

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the company's directors are of the opinion that an analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

Directors

The directors who served the company during the year and up to the date of signing the financial statements were as follows

SJ Brown
DI Campbell
JW Donnelley

DI Campbell resigned as a director on 8 October 2010
CP Marshall was appointed as a director on 21 February 2011

Employees

The involvement and participation of employees in the management of the company is encouraged Staff are directly involved, through their elected representatives and alongside senior management, in staff forums It continues to be company policy to provide equal opportunities for employment, training and career development for all employees The policy for the employment of the disabled is that full and fair consideration should be given to their aptitudes and abilities Copies of the annual report of PA Group Limited are available to all employees Staff are also involved, through their elected representatives, in the conduct of the PA Group Limited group occupational pension scheme

PA Sport UK Limited

The directors' report *(continued)*

Year ended 31 December 2010

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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable 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.

Disclosure of information to auditors

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Signed by order of the board on 28 September 2011



SJ Brown
Company Secretary

PA Sport UK Limited

Independent auditor's report to the shareholders of PA Sport UK Limited

Year ended 31 December 2010

We have audited the financial statements of PA Sport UK Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, Balance Sheet, Accounting Policies and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

This report, including the opinions, has been prepared for and only for the company's shareholders as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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 2010 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 matters 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.

PA Sport UK Limited
Profit and loss account
Year ended 31 December 2010

| | Note | 2010 £000 | 2009 £000 |
|--|-----------|------------------|--------------|
| Turnover | 1 | 18,596 | 20,549 |
| Staff costs | 2 | (8,119) | (8,897) |
| Depreciation and amortisation | 3 | (546) | (445) |
| Other operating charges | | (9,808) | (9,318) |
| Profit on ordinary activities before taxation | 3 | 123 | 1,889 |
| Tax on profit on ordinary activities | 4 | (71) | (447) |
| Profit for the financial year | 15 | <u>52</u> | <u>1,442</u> |

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above, and therefore no separate Statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents

PA Sport UK Limited

Independent auditor's report to the shareholders of PA Sport UK Limited *(continued)*

Year ended 31 December 2010

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



Michael Thornton (Senior Statutory Auditor)
For and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Hull

29 September 2011

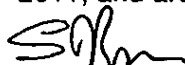
PA Sport UK Limited

Balance sheet

31 December 2010

| | Note | 2010 £000 | 2009 £000 |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Intangible assets | 5 | 763 | 837 |
| Tangible assets | 6 | <u>974</u> | <u>1,122</u> |
| | | <u>1,737</u> | <u>1,959</u> |
| Current assets | | | |
| Debtors | 7 | 25,316 | 22,836 |
| Cash | | <u>18</u> | <u>5</u> |
| | | 25,334 | 22,841 |
| Creditors: Amounts falling due within one year | 9 | <u>(6,781)</u> | <u>(4,483)</u> |
| Net current assets | | <u>18,553</u> | <u>18,358</u> |
| Total assets less current liabilities | | <u>20,290</u> | <u>20,317</u> |
| Provisions for liabilities and charges | 10 | <u>—</u> | <u>(79)</u> |
| Net assets | | <u>20,290</u> | <u>20,238</u> |
| Capital and reserves | | | |
| Called-up equity share capital | 14 | 10 | 10 |
| Share premium account | 15 | 11,219 | 11,219 |
| Profit and loss account | 15 | <u>9,061</u> | <u>9,009</u> |
| Shareholders funds | 16 | <u>20,290</u> | <u>20,238</u> |

These financial statements on pages 6 to 17 were approved by the board on 28 September 2011, and are signed on their behalf by



SJ Brown
Director

Company Registration Number 3891053

PA Sport UK Limited

Accounting policies

Year ended 31 December 2010

Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards

The principal accounting policies, which have been applied consistently throughout the year, are set out below

Cash flow statement

The company is exempt from publishing a cash flow statement because it is a wholly owned subsidiary undertaking of PA Group Limited which publishes a consolidated cash flow statement

Turnover

Turnover comprises invoiced revenue and subscriptions net of value added tax arising on the sales of sport data and information services and is recognised as services are provided to customers

Intangible assets

Goodwill, representing the excess of cost over the fair value of assets acquired, is capitalised and amortised between 10 and 20 years, being the period that the directors estimate that the value of the underlying business acquired is expected to exceed the value of the assets acquired. Goodwill is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

| | | |
|------------|---|----------------|
| Goodwill | - | 10 to 20 years |
| Trademarks | - | 10 to 20 years |

Fixed assets

The cost of tangible fixed assets includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

| | | |
|--------------------|---|-----------|
| Computer equipment | - | 20% - 50% |
| Other equipment | - | 20% - 25% |

Leases

Rentals payable under operating leases are charged to the profit and loss account as incurred

PA Sport UK Limited

Accounting policies *(continued)*

Year ended 31 December 2010

Pension costs

PA Group Limited operates a group defined benefit pension scheme for the majority of its employees, under which contributions are paid by group companies and employees in order to provide pension and other benefits expressed in terms of percentage of pensionable salary. The company is unable to identify its share of the underlying assets and liabilities of the scheme for the purposes of accounting under FRS 17 'Retirement benefits'. Accordingly, the contribution payments made by the company are charged against profit on an accruals basis. PA Group Limited also operates a group defined contribution scheme for staff not eligible to join the defined benefit scheme. Further details of PA Group Limited pension schemes can be found in the annual report of that company.

Tax

The charge for tax is based on the loss for the year and takes into account tax deferred or accelerated because of timing differences between the treatment of certain items for accounting and tax purposes. Full provision is made for deferred tax resulting from timing differences between profits computed for tax purposes and profits stated in the financial statements to the extent that there is an obligation to pay more tax, or a right to pay less tax, in the future as a result of the reversal of those timing differences. Deferred tax assets are recognised to the extent that they are expected to be recoverable. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws substantively enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currency are retranslated at the rate of exchange at the balance sheet date. All currency differences are dealt with in the profit and loss account.

Provisions

Provisions are made immediately where a constructive or legal obligation is identified, can be quantified and it is regarded as more likely than not that an outflow of resources will be required to settle the obligation. The company does consider the impact of discounting when establishing provisions and provisions are discounted when the impact is material and the timing of cash flows can be estimated with reasonable certainty.

PA Sport UK Limited
Notes to the financial statements
Year ended 31 December 2010

1. Turnover

| | 2010 | 2009 |
|--|----------------------|----------------------|
| | £000 | £000 |
| Turnover by geographical destination is as follows | | |
| United Kingdom | 15,510 | 16,902 |
| Continental Europe | 1,524 | 1,579 |
| North America | 295 | 301 |
| Rest of the World | 1,267 | 1,768 |
| | <u>18,596</u> | <u>20,550</u> |

The above analysis is based on the country in which the customer is located. The majority of the company's turnover originates from the United Kingdom.

PA Sport UK Limited
Notes to the financial statements
Year ended 31 December 2010

2. Directors and employees

The average number of staff employed by the company during the financial year amounted to

| | 2010 | 2009 |
|-------------|-------------------|------------|
| | No | No |
| Enterprises | <u>238</u> | <u>256</u> |

The aggregate payroll costs of the above were

| | 2010 | 2009 |
|-----------------------|---------------------|--------------|
| | £000 | £000 |
| Wages and salaries | 7,040 | 7,645 |
| Social security costs | 642 | 689 |
| Other pension costs | <u>437</u> | <u>563</u> |
| | <u>8,119</u> | <u>8,897</u> |

The directors received no remuneration for their services to the company (2009 nil)

The company is a member of a funded defined benefit group pension scheme operated by PA Group Limited and contributions are based on pension costs across the group as a whole

Formal actuarial valuations of the pension scheme are carried out triennially by Lane Clark & Peacock, consulting actuaries, using the projected unit method. The most recent valuation was carried out as at 31 December 2008. Particulars of the actuarial valuations of the group scheme are contained in the annual report of PA Group Limited.

Whilst the scheme is a defined benefits pension scheme, the group is unable to identify the company's share of underlying assets and liabilities. The company accounts for contributions as if their section of the group scheme were a defined contribution scheme because it is a multi-employer scheme. The defined benefit pension costs of the company for the year were £238,000 (2009 £472,000). The group pension scheme had a liability of £5.4m at 31 December 2010 (2009 £11.7m). Following the conclusion of the 2008 actuarial valuation and closure of the defined benefit section of the scheme to future accrual, employer contributions have fallen to 2.5% of pensionable salaries to cover on-going scheme expenses. PA Group Limited will also pay employer special contributions totalling £2,250,000 in 2011. Contribution levels will be reviewed following the results of the 2011 actuarial valuation.

PA Group Limited group also operates a defined contribution scheme for staff not eligible to join the defined benefit scheme. The defined contribution pension costs of the company for the year were £199,000 (2009 £91,000).

PA Sport UK Limited
Notes to the financial statements
Year ended 31 December 2010

3. Profit on ordinary activities before tax

Profit on ordinary activities before tax is stated after charging

| | 2010 | 2009 |
|------------------------------------|------------------|-----------|
| | £000 | £000 |
| Amortisation of intangible assets | 72 | 71 |
| Depreciation of owned fixed assets | 474 | 374 |
| Operating lease costs | | |
| - Other | <u>74</u> | <u>79</u> |

Fees payable for the audit were borne by a fellow group company. The auditors did not perform any non-audit services in the year (2009 £Nil)

4. Taxation on ordinary activities

(a) Analysis of charge in the year

| | 2010 | 2009 |
|--|---------------------|-------------|
| | £000 | £000 |
| Current tax: | | |
| UK Taxation | | |
| UK Corporation tax at 28% (2009 - 28%) | 190 | 500 |
| Over/under provision in prior year | <u>2</u> | <u>(46)</u> |
| | 192 | 454 |
| Double taxation relief | <u>(13)</u> | <u>(10)</u> |
| | 179 | 444 |
| Foreign tax | <u>13</u> | <u>10</u> |
| Total current tax | 192 | 454 |
| Deferred tax: | | |
| Origination and reversal of timing differences | <u>(121)</u> | <u>(7)</u> |
| Tax on profit on ordinary activities | <u>71</u> | <u>447</u> |

PA Sport UK Limited
Notes to the financial statements
Year ended 31 December 2010

4. Taxation on ordinary activities *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher (2009 higher) than the standard rate of corporation tax in the UK of 28% (2009 - 28%) The differences are explained below

| | 2010 £000 | 2009 £000 |
|---|--------------|--------------|
| Profit on ordinary activities before taxation | <u>123</u> | <u>1,889</u> |
| Profit on ordinary activities at the standard rate of corporation tax | 34 | 529 |
| Expenses not deductible for tax purposes | 26 | 24 |
| Capital allowances for period in excess of depreciation | 130 | (21) |
| Utilisation of tax losses | - | (20) |
| Adjustments in respect of previous periods | 2 | (46) |
| Other timing differences | - | (12) |
| Total current tax | <u>192</u> | <u>454</u> |

(c) Factors that may affect future tax charges

Reductions to the UK corporation tax rate were announced in the March 2011 budget. The charges reduce the rate from 28% to 26% effective from 1 April 2011 with further changes proposing to reduce the rate by 1% per annum to 23% by April 2014. These changes have not been substantively enacted at the balance sheet date and therefore are not recognised in the financial statements.

5. Intangible fixed assets

| | Goodwill £000 | Trademarks £000 | Total £000 |
|----------------------------|------------------|--------------------|---------------|
| Cost | | | |
| At 1 January 2010 | 1,346 | 44 | 1,390 |
| Disposals | <u>-</u> | <u>(2)</u> | <u>(2)</u> |
| At 31 December 2010 | <u>1,346</u> | <u>42</u> | <u>1,388</u> |
| Amortisation | | | |
| At 1 January 2010 | 533 | 20 | 553 |
| Charge for the year | <u>68</u> | <u>4</u> | <u>72</u> |
| At 31 December 2010 | <u>601</u> | <u>24</u> | <u>625</u> |
| Net book value | | | |
| At 31 December 2010 | <u>745</u> | <u>18</u> | <u>763</u> |
| At 31 December 2009 | <u>813</u> | <u>24</u> | <u>837</u> |

PA Sport UK Limited
Notes to the financial statements
Year ended 31 December 2010

6. Tangible fixed assets

| | Equipment £000 |
|----------------------------|---------------------------|
| Cost | |
| At 1 January 2010 | 3,411 |
| Additions | 327 |
| Disposals | (18) |
| At 31 December 2010 | <u>3,720</u> |
| Depreciation | |
| At 1 January 2010 | 2,289 |
| Charge for the year | 474 |
| Eliminated on disposal | (17) |
| At 31 December 2010 | <u>2,746</u> |
| Net book value | |
| At 31 December 2010 | <u>974</u> |
| At 31 December 2009 | <u>1,122</u> |

7. Debtors

| | 2010 £000 | 2009 £000 |
|------------------------------------|----------------------|----------------------|
| Trade debtors | 857 | 1,058 |
| Amounts owed by group undertakings | 23,771 | 20,904 |
| Other debtors | 33 | 44 |
| Prepayments and accrued income | 362 | 658 |
| Deferred taxation (note 8) | 293 | 172 |
| | <u>25,316</u> | <u>22,836</u> |

Amounts owed by group undertakings are unsecured, interest free and have no fixed repayment date

8. Deferred taxation

The movement in the deferred taxation account during the year was

| | 2010 £000 | 2009 £000 |
|--|----------------------|----------------------|
| At 1 January 2010 | 172 | 165 |
| Charged to the Profit and loss account | 121 | 7 |
| At 31 December 2010 | <u>293</u> | <u>172</u> |

PA Sport UK Limited
Notes to the financial statements
Year ended 31 December 2010

8. Deferred taxation *(continued)*

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

| | 2010 £000 | 2009 £000 |
|---|----------------------------|--------------|
| Excess of depreciation over taxation allowances | 293 | 172 |
| | <u>293</u> | <u>172</u> |

The directors consider that it is more likely than not there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has been recognised in these financial statements

9. Creditors: Amounts falling due within one year

| | 2010 £000 | 2009 £000 |
|------------------------------------|----------------------------|--------------|
| Trade creditors | 170 | 51 |
| Amounts owed to group undertakings | 5,341 | 3,302 |
| Other taxation | 261 | 169 |
| Accruals and deferred income | 1,009 | 961 |
| | <u>6,781</u> | <u>4,483</u> |

Amounts owed to group undertakings are unsecured, interest free and have no fixed repayment date

10. Provisions for liabilities and charges

| | Restructuring provision £000 |
|--|---|
| At 1 January 2010 | 79 |
| Charged to the profit and loss account | <u>(79)</u> |
| At 31 December 2010 | <u>-</u> |

The restructuring provision was for redundancy payments relating to restructuring plans which were implemented during the year

PA Sport UK Limited

Notes to the financial statements

Year ended 31 December 2010

11. Commitments under operating leases

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below

| | Assets other than Land and buildings | |
|-------------------------------|---|------------------|
| | 2010 | 2009 |
| | £000 | £000 |
| Operating leases which expire | | |
| Within 1 year | 10 | 1 |
| Within 2 to 5 years | 21 | 61 |
| | <u>31</u> | <u>62</u> |

12. Contingent liabilities

The company has given an unlimited guarantee in favour of Lloyds TSB Plc in respect of all monies due to the bank by the company's ultimate parent undertaking and its fellow subsidiary undertakings. At 31 December 2010 the amount outstanding under this guarantee was £9,191,000 (2009 £11,180,000)

13. Related party transactions

The company has taken advantage of the exemption under FRS 8, Related Party Transactions, not to disclose transactions with other wholly owned group undertakings of PA Group Limited

14. Share capital

Authorised share capital:

| | 2010 | 2009 |
|-----------------------------------|------------------|------------------|
| | £000 | £000 |
| 10,000 Ordinary shares of £1 each | <u>10</u> | <u>10</u> |

Allotted, called up and fully paid:

| | 2010 | 2009 |
|-----------------------------------|------------------|------------------|
| | £000 | £000 |
| 10,000 Ordinary shares of £1 each | <u>10</u> | <u>10</u> |

PA Sport UK Limited
Notes to the financial statements
Year ended 31 December 2010

15. Reserves

| | Share premium account £000 | Profit and loss account £000 |
|---------------------|-------------------------------------|------------------------------------|
| At 1 January 2010 | 11,219 | 9,009 |
| Profit for the year | — | 52 |
| At 31 December 2010 | <u>11,219</u> | <u>9,061</u> |

16. Reconciliation of movements in shareholders' funds

| | 2010 £000 | 2009 £000 |
|-------------------------------|---------------|---------------|
| Profit for the financial year | 52 | 1,442 |
| Opening shareholders' funds | <u>20,238</u> | <u>18,796</u> |
| Closing shareholders' funds | <u>20,290</u> | <u>20,238</u> |

17. Ultimate parent company

The company's immediate parent company is PA Sport Limited, a company registered in England and Wales. The company's ultimate parent company is PA Group Limited, a company registered in England & Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Its group financial statements are available to the public from the company secretary at the address shown on page 1.