

**COMPANY REGISTRATION NUMBER 03891053**

**PA Sport UK Limited**  
**Directors report and financial statements**  
**For the year ended 31 December 2011**

SATURDAY



\*A1A89AKQ\*

A25

02/06/2012

#338

COMPANIES HOUSE

**PA Sport UK Limited**  
**Directors report and financial statements**  
**Year ended 31 December 2011**

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Directors' report	2
Independent auditors' report	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**

<b>The board of directors</b>	SJ Brown JW Donnelley CP Marshall
<b>Company secretary</b>	SJ Brown
<b>Registered office</b>	292 Vauxhall Bridge Road London SW1V 1AE
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 2 Humber Quays Wellington Street West Hull HU1 2BN
<b>Bankers</b>	Lloyds Banking Group Plc 9 Marina Court Hull HU1 1TJ
<b>Solicitors</b>	Taylor Wessing LLP 5 New Street Square London EC4A 3TW

# **PA Sport UK Limited**

## **Directors' report**

### **Year ended 31 December 2011**

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2011

#### **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. The trade and assets of the company were hived up to The Press Association Limited, a fellow group company, on 31 December 2011 at book value. The company has not traded since that date.

#### **Results and dividends**

The loss for the financial year, after taxation, amounted to £176,000 (2010 profit of £52,000). The directors are unable to recommend a dividend (2010 £nil). The resulting loss of £176,000 (2010 profit £52,000) has been transferred from (2010 to) reserves. The results of the ultimate 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.

#### **Risk management and mitigation**

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 this report. Financial risks are actively managed on a Group basis and mitigated by appropriate hedging transactions.

#### **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  
JW Donnelley  
CP Marshall

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**

## **Directors' report** *(continued)*

**Year ended 31 December 2011**

### **Directors' responsibilities statement**

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 prepared 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 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.

### **Disclosure of information to auditors**

In so far as the directors are aware

- there is no relevant audit information of which the company's auditors are 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 auditors are 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 16 May 2012



**SJ Brown**  
**Company Secretary**

## **PA Sport UK Limited**

### **Independent auditors' report to the members of PA Sport UK Limited**

**Year ended 31 December 2011**

We have audited the financial statements of PA Sport UK Limited for the year ended 31 December 2011 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members 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. In addition, we read all the financial and non-financial information in the annual report 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 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 loss 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**

### **Independent auditors' report to the members of PA Sport UK Limited *(continued)***

**Year ended 31 December 2011**

#### **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



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

18 May 2012

**PA Sport UK Limited**  
**Profit and loss account**  
**Year ended 31 December 2011**

	Note	2011 £000	2010 £000
<b>Turnover</b>	<b>1</b>	<b>19,038</b>	18,596
Staff costs	2	(6,583)	(8,119)
Depreciation and amortisation	3	(555)	(546)
Other operating charges		(11,763)	(9,808)
<b>Profit on ordinary activities before taxation</b>		<u><b>137</b></u>	<u>123</u>
Tax on profit on ordinary activities	4	(313)	(71)
<b>(Loss)/profit for the financial year</b>	<b>14</b>	<u><b>(176)</b></u>	<u><b>52</b></u>

All of the activities of the company are classed as discontinued

The company has no recognised gains or losses other than the results for the financial years 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 (loss)/profit for the financial year stated above and their historical cost equivalents



# PA Sport UK Limited

## Balance sheet

31 December 2011

	Note	2011 £000	2010 £000
<b>Fixed assets</b>			
Intangible assets	5	–	763
Tangible assets	6	–	974
		<u>–</u>	<u>1,737</u>
<b>Current assets</b>			
Debtors	7	20,117	25,316
Cash at bank and in hand		–	18
		<u>20,117</u>	<u>25,334</u>
<b>Creditors: Amounts falling due within one year</b>	9	<u>(3)</u>	<u>(6,781)</u>
<b>Net current assets</b>		<u>20,114</u>	<u>18,553</u>
<b>Net assets</b>		<u>20,114</u>	<u>20,290</u>
<b>Capital and reserves</b>			
Called up share capital	13	10	10
Share premium account	14	11,219	11,219
Profit and loss account	14	<u>8,885</u>	<u>9,061</u>
<b>Total shareholders' funds</b>	15	<u>20,114</u>	<u>20,290</u>

These financial statements on pages 6 to 16 were approved by the Board on 16 May 2012, and are signed on their behalf by



SJ Brown  
Director

Company Registration Number 03891053

# **PA Sport UK Limited**

## **Accounting policies**

**Year ended 31 December 2011**

### **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 2011**

### **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.

### **Taxation**

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 2011**

**1. Turnover**

	<b>2011</b>	<b>2010</b>
	<b>£000</b>	<b>£000</b>
Turnover by geographical destination is as follows		
United Kingdom	<b>16,182</b>	15,510
Continental Europe	<b>1,523</b>	1,524
North America	<b>381</b>	295
Rest of the World	<b>952</b>	1,267
	<b><u>19,038</u></b>	<b><u>18,596</u></b>

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 2011**

**2. Directors and employees**

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

	<b>2011</b>	<b>2010</b>
	<b>No</b>	<b>No</b>
Enterprises	<b><u>186</u></b>	<b><u>238</u></b>

The aggregate payroll costs of the above were

	<b>2011</b>	<b>2010</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	<b>5,702</b>	<b>7,040</b>
Social security costs	<b>565</b>	<b>642</b>
Other pension costs	<b><u>316</u></b>	<b><u>437</u></b>
	<b><u>6,583</u></b>	<b><u>8,119</u></b>

The directors received no remuneration for their services to the company (2010 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 £37,000 (2010 £238,000). The group pension scheme had a liability of £13.2m at 31 December 2011 (2010 £5.4m). Following the 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 £2.3m in 2012. 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 £279,000 (2010 £199,000).

**PA Sport UK Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2011**

**3 Operating profit**

Operating profit is stated after charging

	<b>2011</b>	<b>2010</b>
	<b>£000</b>	<b>£000</b>
Amortisation of intangible assets (note 5)	<b>72</b>	<b>72</b>
Depreciation of owned tangible fixed assets (note 6)	<b>483</b>	<b>474</b>
Operating lease costs		
- Other	<b><u>32</u></b>	<b><u>74</u></b>

Fees payable for the audit were borne by a fellow group company. The auditors did not perform any non-audit services in the year (2010: £Nil)

**4. Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	<b>2011</b>	<b>2010</b>
	<b>£000</b>	<b>£000</b>
<b>Current tax:</b>		
UK Taxation		
UK corporation tax at 26.50% (2010 - 28%)	<b>20</b>	<b>190</b>
Adjustment in respect of previous periods	<b><u>-</u></b>	<b><u>2</u></b>
	<b>20</b>	<b>192</b>
Double taxation relief	<b><u>(20)</u></b>	<b><u>(13)</u></b>
	<b>-</b>	<b>179</b>
Foreign tax	<b><u>20</u></b>	<b><u>13</u></b>
Total current tax	<b>20</b>	<b>192</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	<b><u>293</u></b>	<b><u>(121)</u></b>
Tax on profit on ordinary activities	<b><u>313</u></b>	<b><u>71</u></b>

**PA Sport UK Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2011**

**4. Taxation on ordinary activities** *(continued)*

**(b) Factors affecting current tax charge**

The standard rate of corporation tax in the UK changed from 28% to 26% with effect from 1 April 2011. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 26.5%. The tax assessed on the profit on ordinary activities for the year is lower (2010: higher) than the standard rate of corporation tax in the UK of 26.5% (2010: 28%). The differences are explained below:

	2011 £000	2010 £000
<b>Profit on ordinary activities before taxation</b>	<b>137</b>	<b>123</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010: 28%)	36	34
Expenses not deductible for tax purposes	25	26
Capital allowances for period in excess of depreciation	(41)	130
Adjustments in respect of previous periods	-	2
<b>Total current tax charge</b>	<b>20</b>	<b>192</b>

**5. Intangible fixed assets**

	Goodwill £000	Trademarks £000	Total £000
<b>Cost</b>			
At 1 January 2011	1,346	42	1,388
Disposals	(1,346)	(42)	(1,388)
<b>At 31 December 2011</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Amortisation</b>			
At 1 January 2011	601	24	625
Charge for the year	68	4	72
Eliminated on disposal	(669)	(28)	(697)
<b>At 31 December 2011</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>			
<b>At 31 December 2011</b>	<b>-</b>	<b>-</b>	<b>-</b>
At 31 December 2010	745	18	763

**PA Sport UK Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2011**

**6. Tangible fixed assets**

	<b>Equipment £000</b>
<b>Cost</b>	
At 1 January 2011	3,720
Additions	811
Disposals	<u>(4,531)</u>
<b>At 31 December 2011</b>	<u>—</u>
<b>Depreciation</b>	
At 1 January 2011	2,746
Charge for the year	483
Eliminated on disposal	<u>(3,229)</u>
<b>At 31 December 2011</b>	<u>—</u>
<b>Net book value</b>	
<b>At 31 December 2011</b>	<u>—</u>
At 31 December 2010	<u>974</u>

**7. Debtors**

	<b>2011 £000</b>	<b>2010 £000</b>
Trade debtors	—	857
Amounts owed by group undertakings	<b>20,117</b>	23,771
Other debtors	—	33
Prepayments and accrued income	—	362
Deferred taxation (note 8)	—	293
	<u><b>20,117</b></u>	<u><b>25,316</b></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

	<b>2011 £000</b>	<b>2010 £000</b>
At 1 January 2011	<b>293</b>	172
(Credited)/charged to the Profit and loss account	<u><b>(293)</b></u>	<u>121</u>
<b>At 31 December 2011</b>	<u><b>—</b></u>	<u><b>293</b></u>



**PA Sport UK Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2011**

**8. Deferred taxation (continued)**

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

	2011 £000	2010 £000
Excess of depreciation over taxation allowances	-	293
	<u>-</u>	<u>293</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

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 dates

Further reductions to the main rate are proposed to reduce the rate to 22% by 1 April 2014. None of these expected rate reductions had been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements

**9. Creditors: Amounts falling due within one year**

	2011 £000	2010 £000
Trade creditors	-	170
Amounts owed to group undertakings	3	5,341
Other taxation	-	261
Accruals and deferred income	-	1,009
	<u>3</u>	<u>6,781</u>

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

**10. Commitments under operating leases**

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

	<b>Assets other than Land and buildings</b>	
	2011 £000	2010 £000
Operating leases which expire		
Within 1 year	-	10
Within 2 to 5 years	-	21
	<u>-</u>	<u>31</u>

# PA Sport UK Limited

## Notes to the financial statements

Year ended 31 December 2011

### 11. 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 2011 the amount outstanding under this guarantee was £9,577,000 (2010 £9,191,000)

### 12. Related party transactions

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

### 13. Called up share capital

Allotted, called up and fully paid:

	2011 £000	2010 £000
10,000 Ordinary shares of £1 each	<u>10</u>	<u>10</u>

### 14. Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2011	11,219	9,061
Loss for the financial year	<u>—</u>	<u>(176)</u>
At 31 December 2011	<u>11,219</u>	<u>8,885</u>

### 15. Reconciliation of movements in total shareholders' funds

	2011 £000	2010 £000
(Loss)/Profit for the financial year	(176)	52
Opening total shareholders' funds	<u>20,290</u>	<u>20,238</u>
Closing total shareholders' funds	<u>20,114</u>	<u>20,290</u>

### 16. Ultimate parent company

The company's immediate parent company is PA Sport Limited, a company registered in England and Wales. The company's ultimate controlling party 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