Oddschecker Services Limited

Annual report and financial statements
for the year ended 30 June 2011

Registered number 4047216

Directors and Officers

For the year ended 30 June 2011

Directors

Oddschecker Services Limited's ("the Company's") present Directors and those who served during the year are as follows

P M A Croton
R C Flint
I D F Proctor

Secretary

D J Gormley

Registered office

Grant Way
Isleworth
Middlesex
TW7 5QD

Auditor

Deloitte LLP
Chartered Accountants
London
United Kingdom

Directors' report

The Directors present their Annual Report on the affairs of the Company, together with the financial statements and Auditor's Report for the year ended 30 June 2011

Business review and principal activities

The Company is a wholly-owned subsidiary of British Sky Broadcasting Group plc ("BSkyB") and operates together with BSkyB's other subsidiaries as a part of the Group

The principal activity of the Company is to provide online betting and gaming related information and content to customers There has not been any significant changes in the Company's activities in the 12 month period under review

The audited financial statements for the year ended 30 June 2011 are set out on pages 7 to 23 The profit for the year was £2,589,000 (2010 profit of £5,786,000 after taking into account the release of a provision against intercompany receivables of £4,250,000) The Directors do not recommend the payment of a dividend for the year ended 30 June 2011 (2010 £nil)

Principal risks and uncertainties

The balance sheet of the Company is primarily intercompany balances The intercompany balances of the Company are detailed in notes 11 and 12

Financial risk management objectives and policies

Credit risk

The Company has no significant concentration of risk, with exposure spread over a large number of counterparties and customers

Liquidity risk

The Company relies on the Group Treasury function to manage its liquidity and ensure that sufficient funds are available for ongoing operations and future developments The Group currently has access to an undrawn £750 million revolving credit facility which is due to expire on 30 July 2013 The Company benefits from this liquidity through intra-group arrangements

The Directors do not believe the business is exposed to cash flow risk or price risk.

Other risks

Competitive Risks - Although currently the leading comparison site serving betting customers, there is always a risk that a competitor site could invest heavily to raise its profile and increase its attractiveness to the trade partners and to customers We are continually reviewing the market and our own proposition to ensure we remain the leading site

Regulatory Risks - Gambling is a highly regulated market including the marketing and promotion of its products Our legal advisors remain vigilant to forewarn of any possible changes to the regulatory environment that could present a risk to the core proposition and business model

Technical Disruption - The whole proposition is based online and thus cannot operate if the systems or networks fail There are measures in place which improve the resilience of the systems by sharing resources with the BSkyB Group

Directors' report (continued)

Going concern

Subsequent to year end, at the time of approving the financial statements, the Directors have formed a judgement that there is a reasonable expectation that the Company will cease trading by 30 June 2012 For this reason the Directors have adopted a basis other than going concern in preparing the financial statements

Directors

The Directors who served during the year are shown on page 1

Auditor

In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who are Directors of the Company at the date of approval of this report confirms that

- so far as the Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware, and
- the Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information

Deloitte LLP has expressed their willingness to continue in office as auditor and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board,

R C Flint
Director
Grant Way
Isleworth
Middlesex
TW7 5QD

29 September 2011

Statement of Directors' responsibilities

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union 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, International Accounting Standard 1 requires that the Directors

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- make an assessment of the Company's ability to continue as a going concern

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

Auditors' report

Independent Auditors' Report to the Members of Oddschecker Services Limited

We have audited the financial statements of Oddschecker Services Limited for the year ended 30 June 2011 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet, the Cash Flow Statement, and the related notes 1 to 17 The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

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 auditor

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 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 Company's affairs as at 30 June 2011 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

Emphasis of matter - Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern

Auditors' report

Separate opinion in relation to IFRSs as issued by the IASB

As explained in note 1 to the financial statements, the Company in addition to applying IFRSs as adopted by European Union, has also applied IFRSs as issued by the International Accounting Standards Board (IASB)

In our opinion the financial statements comply with IFRSs as issued by IASB

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

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.

William Touche (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

29 September 2011

Income Statement

For the year ended 30 June 2011

	Notes	2011 £'000	2010 £'000
Revenue	2	**4,627**	3,900
Operating (expense) / income	3	**(1,173)**	1,971
Operating profit		**3,454**	5,871
Finance costs	4	**(46)**	(85)
Profit before tax	5	**3,408**	5,786
Tax	7	**(819)**	-
Profit for the year attributable to equity shareholders		**2,589**	5,786

The accompanying notes are an integral part of this income statement All results relate to continuing operations

Statement of Changes in Equity

For the year ended 30 June 2011

	Share capital £'000	Retained earnings £'000	Total shareholders' equity £'000
At 1 July 2009	-	(2,721)	(2,721)
Profit for the year	-	5,786	5,786
At 30 June 2010	**-**	**3,065**	**3,065**
Profit for the year	-	2,589	2,589
At 30 June 2011	**-**	**5,654**	**5,654**

The accompanying notes are an integral part of this statement of changes in equity

Balance Sheet

As at 30 June 2011

	Notes	2011 £'000	2010 £'000
Non-current assets			
Intangible assets	8	**124**	271
Property, plant and equipment	9	**-**	-
		124	271
Current assets			
Trade and other receivables	11	**10,064**	8,394
Cash and cash equivalents		**1,164**	2,326
		11,228	10,720
Total assets		**11,352**	10,991
Current liabilities			
Trade and other payables	12	**4,879**	7,926
Current tax liabilities		**819**	-
Total liabilities		**5,698**	7,926
Share capital	14	**-**	-
Reserves		**5,654**	3,065
Total equity attributable to equity shareholders		**5,654**	3,065
Total liabilities and shareholders' equity		**11,352**	10,991

The accompanying notes are an integral part of this balance sheet

These financial statements of Oddschecker Services Limited, registered number 4047216, were approved by the Board of Directors on 29 September 2011 and were signed on its behalf by

R C Flint
Director
29 September 2011

Cash Flow Statement

For the year ended 30 June 2011

	Note	2011 £'000	2010 £'000
Cash flows from operating activities			
Cash generated from operations	15	**3,404**	6,243
Net cash from operating activities		**3,404**	6,243
Cash flows from investing activities			
Purchase of intangible assets		**-**	(196)
Net cash from investing activities		**-**	(196)
Cash flows from financing activities			
Interest paid		**(46)**	(85)
Loan repayment to Group companies		**(1,264)**	(4,512)
Loan (repayment to)/receipt from subsidiaries		**(3,256)**	398
Net cash from financing activities		**(4,566)**	(4,199)
Net (decrease)/ increase in cash and cash equivalents		**(1,162)**	1,848
Cash and cash equivalents at the beginning of the year		**2,326**	478
Cash and cash equivalents at the end of the year		**1,164**	2,326

The accompanying notes are an integral part of this consolidated cash flow statement.

Notes to financial statements

1 Accounting policies

Oddschecker Services Limited (the "Company") is a limited liability Company incorporated in England and Wales, and domiciled in the United Kingdom ("UK")

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), and Companies Act 2006 In addition, the Company also complied with IFRS as issued by the International Accounting Standards Board ("IASB")

b) Basis of preparation and going concern

The financial statements have been prepared on an historical cost basis, except for the remeasurement to fair value of financial instruments as described in the accounting policies below Historical cost is generally based on the fair value of the consideration given in exchange for the assets The Company has adopted the new accounting pronouncements which became effective this period, none of which had any significant impact on the Company's results or financial position

The Company maintains a 52 or 53 week fiscal year ending on the Sunday nearest to 30 June in each year In fiscal year 2011 this date was 3 July 2011, this being a 53 week year (fiscal year 2010 27 June 2010, 52 week period) For convenience purposes, the Company continues to date its financial statements as at 30 June The Company has classified assets and liabilities as current when they are expected to be realised in, or intended for sale or consumption in, the normal operating cycle of the Company

The Directors believe that the Company is likely to cease trading by 30 June 2012, and as such the accounts have been prepared on a basis other than going concern (please refer to the Directors' Report for further details)

c) Foreign currency translation

The Company's functional currency and presentational currency is pounds sterling Trading activities denominated in foreign currencies are recorded in pounds sterling at the actual exchange rates as of the date of the transaction Monetary assets, liabilities and commitments denominated in foreign currencies at the year end are reported at the rates of exchange at the balance sheet date Non-monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing at the date of the initial transaction Gains and losses on retranslation of assets and liabilities are included net in the profit or loss for the year, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity

d) Intangible assets and property plant and equipment ("PPE")

i. Intangible assets

Research expenditure is recognised in operating expense in the income statement as the expenditure is incurred Development expenditure (relating to the application of research knowledge to plan or design new or substantially improved products for sale or use within the business) is recognised as an intangible asset from the point at which it is probable that the Company has the intention and ability to generate future economic benefits from the development expenditure, that the development is technically feasible and that the subsequent expenditure can be measured reliably Any other development expenditure is recognised in the income statement as incurred

Notes to financial statements

1 Accounting policies (continued)

Amortisation of an intangible asset begins when the asset is available for use, and is charged to the income statement through operating expenses on a straight-line basis over the intangible asset's estimated useful life, principally being a period between 3 and 25 years, unless the asset life is judged to be indefinite If the useful life is indefinite or the asset is not yet available for use, no amortisation is charged and an impairment test is carried out at least annually

e) Financial assets and liabilities

Financial assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs At each balance sheet date, the Company assesses whether there is any objective evidence that any financial asset is impaired Financial assets and liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the financial asset or liability Financial assets are derecognised from the balance sheet when the Company's contractual rights to the cash flows expire or the Company transfers substantially all the risks and rewards of the financial asset Financial liabilities are derecognised from the Company's balance sheet when the obligation specified in the contract is discharged, cancelled or expires

i Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments and, where no stated interest rate is applicable, are measured at the original invoice amount, if the effect of discounting is immaterial Where discounting is material, trade and other receivables are measured at amortised cost using the effective interest method An allowance account is maintained to reduce the carrying value of trade and other receivables for impairment losses identified from objective evidence, with movements in the allowance account, either from increased impairment losses or reversals of impairment losses, being recognised in the income statement

ii. Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank accounts, deposits receivable on demand and deposits with maturity dates of three months or less from the date of inception Bank overdrafts that are repayable on demand and which form an integral part of the Company's cash management are included as a component of cash and cash equivalents where offset conditions are met

iii Trade and other payables

Trade and other payables are non-derivative financial liabilities and are measured at amortised cost using the effective interest method Trade and other payables, with no stated interest rate, are measured at the original invoice amount if the effect of discounting is immaterial

1. Accounting policies (continued)

f) Impairment

At each balance sheet date, and in accordance with IAS 36 "Impairment of Assets", the Company reviews the carrying amounts of all its assets excluding financial assets (see accounting policy e) and deferred taxation (see accounting policy i) to determine whether there is any indication that any of those assets have suffered an impairment loss

An impairment is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amount The recoverable amount is the greater of net selling price, defined as the fair value less costs to sell, and value in use In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset

An impairment loss for an individual asset shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

g) Revenue recognition

Revenue, which excludes value added tax, represents the gross inflow of economic benefit from the Company's operating activities Revenue is measured at the fair value of the consideration received or receivable The Company's main source of revenue is recognised as follows

– Revenues generated through the principal activities of providing online betting and gaming related information and content to customers are recognised in the period in which the service has been provided

h) Employee benefits

Wages, salaries and social security contributions

Wages, salaries, social security contributions, bonuses payable and non-monetary benefits for current employees are recognised in the income statement as the employees' services are rendered

Pension obligations

The Company provides pensions to eligible employees through defined contribution schemes The amount charged to the income statement in the year represents the cost of contributions payable by the Company to the scheme in exchange for employee services rendered in that year The assets of the schemes are held independently of the Company

Termination benefits

Termination benefits are recognised as a liability when, and only when, the Company has a demonstrable commitment to terminate the employment of an employee or group of employees before the normal retirement date or as the result of an offer to encourage voluntary redundancy

1 Accounting policies (continued)

i) Taxation, including deferred taxation

The Company's liability for current tax is based on taxable profits for the year, and is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date

Deferred tax assets and liabilities are recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit Temporary differences arising from goodwill and the initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit are not provided for Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates that have been enacted or substantially enacted at the balance sheet date

The carrying amount of deferred tax assets is reviewed at each balance sheet date and adjusted to reflect an amount that is probable to be realised based on the weight of all available evidence Deferred tax is calculated at the rates that are expected to apply in the period when the liability is settled or the asset is realised Deferred tax assets and liabilities are not discounted Deferred tax is charged or credited in the income statement, except where it relates to items charged or credited directly to equity, in which case the deferred tax is also included within equity Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis

j) Critical accounting policies

Certain accounting policies are considered to be critical to the Company An accounting policy is considered to be critical if its selection or application materially affects the Company's financial position or results The Directors are required to use their judgement in order to select and apply the Company's critical accounting policies Below is a summary of the Company's critical accounting policies and details of the key areas of judgement that are exercised in their application

i Revenue Recognition

Revenue, which excludes value added tax, represents the gross inflow of economic benefit from the Company's operating activities Revenue is measured at the fair value of the consideration received or receivable Judgement is required when evaluating when to recognise revenue

Notes to financial statements

1 Accounting policies (continued)

ii Taxation

Tax laws that apply to the Company's business may be amended by the relevant authorities, for example, as a result of changes in fiscal circumstances or priorities Such potential amendments and their application to the Company are regularly monitored and the requirement for recognition of any liabilities assessed where necessary

The Company is subject to income taxes and judgement is required in determining the appropriate provision for transactions where the ultimate tax determination is uncertain In such circumstances, the Company recognises liabilities for anticipated taxes due based on the best information available and where the anticipated liability is probable and estimable Where the final outcome of such matters differs from the amounts initially recorded, any differences will impact the income tax and deferred tax provisions in the period to which such determination is made Where the potential liabilities are not considered probable, the amount at risk is disclosed unless an adverse outcome is considered remote

iii Deferred Taxation

An estimation of the current tax liability together with an assessment of the temporary differences which arise as a consequence of different tax and accounting treatments is required Assumptions are made around the extent to which it is probable that future taxable profit will be available against which the temporary differences can be utilised and deferred tax assets are recognised at the balance sheet date based on these assumptions

iv. Receivables

Judgement is required in evaluating the likelihood of collection of debt, including intercompany debt This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles

k) Accounting standards, interpretations and amendments to published standards not yet effective

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for our accounting periods beginning on or after 1 July 2011, or later periods These new standards are listed below

- Amendment to IFRIC 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (effective 1 January 2011),
- IAS 24 Revised (2009) "Related Party Disclosures" (effective 1 January 2011),
- Improvements to IFRSs 2010 – various standards (effective 1 January 2011),
- IFRS 9 "Financial Instruments" (effective 1 January 2013),
- IFRS 10 "Consolidated Financial Statements" (effective 1 January 2013),
- IFRS 11 "Joint Arrangements" (effective 1 January 2013),
- IFRS 12 "Disclosure of Interests in Other Entities" (effective 1 January 2013), and
- IFRS 13 "Fair Value Measurement" (Effective 1 January 2013)

The Directors are currently evaluating the impact of the adoption of these standards, amendments and interpretations in future periods

Notes to financial statements

2 Revenue

Revenue arises from the providing of online betting and gaming related information and content to customers in the United Kingdom

The Company does not have any separable business segments

3. Operating expense / (income)

	2011 £'000	2010 £'000
Cost of sales	**4**	19
Administration costs	**1,630**	1,713
Exchange gains	**(2)**	2
Intercompany provision in year	**-**	545
Write back provision against intercompany debt	**(459)**	(4,250)
	1,173	(1,971)

4 Finance costs

	2011 £'000	2010 £'000
Intercompany interest payable (i)	**(46)**	(85)

(i) Intercompany interest payable includes interest on the loan from Oddschecker (Jersey) Limited and calculated until Oddschecker (Jersey) Ltd was put into liquidation on 14 February 2011

5. Profit before taxation

Profit before taxation is stated after charging

	2011 £'000	2010 £'000
Depreciation of property, plant and equipment	**-**	4
Amortisation of intangible assets	**147**	194

Audit fees

Amounts paid to the auditors for audit services of £10,500 (2010 £10,500) were borne by another Group subsidiary in 2011 and 2010 No amounts for other services have been paid to the auditors

Notes to financial statements

6. Employee benefits

	2011	2010
	£'000	£'000
Wages and salaries	**769**	619
Social security costs	**103**	123
Contributions to the BSkyB Pension Plan (i)	**32**	43
	904	785

(i) The Company operates a defined contribution pension scheme through the Pension Plan The pension charge for the year represents the cost of contributions payable by the Company to the schemes during the year The Company's amount payable to the schemes at 30 June 2011 was £nil (2010 £nil)

The average monthly number of full-time equivalent persons (including temporary employees) employed by the Company during the year was 16 (2010 18)

Directors emoluments were paid by a Group company where the majority of the Directors services were provided

7. Taxation

a) Taxation recognised in the income statement

There is a tax charge of £819,000 for the year (2010 £nil)

b) Reconciliation of total tax charge

The tax expense for the year is lower (2010 lower) than the standard blended rate of corporation tax in the UK of 27 5% applied to profit before tax The applicable or substantively enacted rate of UK corporation tax for the year was 27 5% (2010 28%) The differences are explained below

	2011	2010
	£'000	£'000
Profit before tax	**3,408**	5,786
Profit before tax multiplied by the blended rate of corporation tax in the UK of 27 5% (2010 28%)	**937**	1,620
Effects of		
Movement in unrecognised deferred tax asset	**8**	12
Group relief claimed for nil consideration	**-**	(595)
Disallowable items	**-**	153
Non taxable provision reversal	**(126)**	(1,190)
Taxation	**819**	-

All taxation relates to UK corporation tax

8. Intangible assets

	Development costs £'000
Cost	
At 1 July 2009	905
Additions	197
At 30 June 2010	**1,102**
Additions	-
At 30 June 2011	**1,102**
Amortisation	
At 1 July 2009	637
Amortisation for the year	194
At 30 June 2010	**831**
Amortisation for the year	147
At 30 June 2011	**978**
Carrying amounts	
At 1 July 2009	268
At 30 June 2010	271
At 30 June 2011	**124**

The estimated future amortisation charge on finite-lived intangible assets for each of the next five years is set out below It is likely that amortisation will vary from the figures below as the estimate does not include the impact of any future investments, disposals or capital expenditure

	2012 £'000	2013 £'000	2014 £'000	2015 £'000	2016 £'000
Estimated amortisation charge	**124**	-	-	-	-

Notes to financial statements

9. Property, plant and equipment

	Plant and equipment £'000	Fixtures and fittings £'000	Total £'000
Cost			
At 1 July 2009	7	135	142
At 30 June 2010	**7**	**135**	**142**
At 30 June 2011	**7**	**135**	**142**
Depreciation			
At 1 July 2009	7	131	138
Depreciation	-	4	4
At 30 June 2010	**7**	**135**	**142**
Depreciation	-	-	-
At 30 June 2011	**7**	**135**	**142**
Carrying amounts			
At 1 July 2009	-	4	4
At 30 June 2010	-	-	-
At 30 June 2011	**-**	**-**	**-**

10. Deferred tax

A deferred tax asset of £90,000 (2010 £97,000) arising from fixed asset timing differences has not been recognised These amounts will be recoverable provided that suitable taxable profits will arise in the future Although the Directors do expect sufficient profits to arise, there is currently insufficient evidence to support recognition of a deferred tax asset relating to these balances

11 Trade and other receivables

	2011 £'000	2010 £'000
Gross trade receivables	**1,005**	833
Less provision for impairment of receivables	**(109)**	(64)
Net trade receivables	**896**	769
Amounts receivable from other Group companies	**8,906**	8,101
Less provision for impairment of receivables from Group companies	**(85)**	(545)
Net receivables from Group companies	**8,821**	7,556
Accrued income	**347**	69
	10,064	8,394

The Directors consider that the carrying amount of trade and other receivables approximates to their fair values

11. Trade and other receivables (continued)

No interest is charged on amounts due from other Group companies or subsidiaries, which are repayable on demand

The Company is exposed to credit risk on its trade and other receivables The Company does not have any significant concentrations of credit risk, with third parties, as the exposure spread over a large number of counterparties and customers Within the Group there is a concentration of risk within amounts receivable from other Group companies

The ageing of the Company's net trade receivables past due or subject to impairment is as follows

	2011	2010
	£'000	£'000
Within due date	**502**	750
Up to thirty days past due date	**259**	-
Thirty to sixty days past due date	**88**	-
Sixty to ninety days past due date	**43**	17
Ninety to 120 days past due date	**3**	-
More than 120 days past due date	**1**	2
	896	769

The provision for impairment of receivables of £109,000 (2010 £64,000) is held against trade receivables more that 120 days past due

Trade receivables principally comprise amounts outstanding for commission due from bookmakers

Provisions for doubtful debts

	2011	2010
	£'000	£'000
Balance at beginning of year	**609**	4,275
Intercompany provision in year	**-**	545
Intercompany debt provision write back	**(459)**	(4,250)
Amounts utilised	**(44)**	(13)
Income statement charge	**88**	52
Balance at end of year	**194**	609

Notes to financial statements

12. Trade and other payables

	2011 £'000	2010 £'000
Trade payables	**2**	38
Amounts payable to other Group companies	**4,220**	7,477
VAT	**176**	99
Accruals	**473**	277
Deferred income	**8**	35
	4,879	7,926

The Directors consider that the carrying amount of trade and other payables approximates to their fair values

No interest is charged on amounts due to other Group companies, with the sole exception of the loan from Oddschecker (Jersey) Limited, where interest is charged at LIBOR plus 1% and calculated until Oddschecker (Jersey) Ltd was put into liquidation on 14 February 2011 Amounts due to other group companies are repayable on demand

The Company received confirmation from its intercompany creditors that, for a period of 12 months from the date of these financial statements, they will not demand payment of any amounts owed to them by the company where such repayment would prevent the company from continuing to settle its third party liabilities as they fall due

13. Financial risk management objectives and policies

The accounting classification of each class of the Company's financial assets and financial liabilities, together with their fair values, is as follows

	Loans and receivables £'000	Other liabilities £'000	Total carrying value £'000	Total fair values £'000
At 30 June 2011				
Trade and other payables	-	(4,398)	**(4,398)**	(4,398)
Trade and other receivables	9,717	-	**9,717**	9,717
Cash and cash equivalents	1,164	-	**1,164**	1,164
At 30 June 2010				
Trade and other payables	-	(7,614)	**(7,614)**	(7,614)
Trade and other receivables	8,325	-	**8,325**	8,325
Cash and cash equivalents	2,326	-	**2,326**	2,326

The directors consider that the carrying amount of financial assets and liabilities at 30 June 2011 and 30 June 2010 approximates to their fair value

The Company's principal market risk is liquidity risk, which arises both from the Company's intercompany balances and from its operations

Notes to financial statements

13. Financial risk management objectives and policies (continued)

Liquidity risk

The Company's financial liabilities are shown in note 12

The following table analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date The amounts disclosed in the table are the contractual undiscounted cash flows

	Less than 12 months £'000	Between one and two years £'000	Between two and five years £'000	More than five years £'000
At 30 June 2011				
Trade and other payables	(4,879)	-	-	-
At 30 June 2010				
Trade and other payables	(7,926)	-	-	-

Capital risk management

The capital structure of the Company consists of equity attributable to equity holders of the parent company, comprising issued capital, reserves and retained earnings

Risk and treasury management is governed by British Sky Broadcasting Group plc's policies approved by its board of Directors

Credit risk

The Company is exposed to default risk amounting to cash and cash equivalents of £1,164,000 (2010 £2,326,000) The Company's maximum exposure to credit risk on trade receivables is the carrying amount disclosed in note 11 Further information on financial risk management is included on page 2

14. Share capital

	2011 £'000	2010 £'000
Authorised		
1,000 (2010 1,000) ordinary shares of £1 each	**1**	1
Allotted, called-up and fully paid		
1 (2010 1) ordinary share of £1 each	**-**	-

Notes to financial statements

15 Notes to the Cash Flow Statement

Reconciliation of profit before taxation to cash generated from operations

	2011 £'000	2010 £'000
Profit before taxation	**3,408**	5,786
Depreciation of property, plant and equipment	**-**	4
Amortisation of intangible assets	**146**	194
Net finance costs	**46**	85
	3,600	6,069
Increase in trade and other receivables	**(405)**	(32)
Increase in trade and other payables	**209**	206
Cash used in operations	**3,404**	6,243

16 Transactions with related parties

The Company has related party transactions with other Group companies In particular, it is normal practice for the Company to borrow cash from other Group companies as required For details of amounts owed to and from other Group companies, see notes 11 and 12 With the exception of Oddschecker (Jersey) Ltd, all amounts payable to other Group companies are non-interest bearing and repayable on demand

There was £46,000 (2010 £85,000) interest charged on the inter-company loan with Oddschecker (Jersey) Ltd This was calculated at LIBOR plus 1% and calculated until Oddschecker (Jersey) Ltd was put into liquidation on 14 February 2011

17 Ultimate parent undertaking

The Company is a wholly-owned subsidiary undertaking of British Sky Broadcasting Group plc, a company incorporated in the United Kingdom and registered in England and Wales The Company is ultimately controlled by British Sky Broadcasting Group plc The only group in which the results of the Company are consolidated is that headed by BSkyB

The consolidated accounts of the Group are available to the public and may be obtained from the Company Secretary, British Sky Broadcasting Group plc, Grant Way, Isleworth, Middlesex TW7 5QD