In Form Group Services Limited

Report and Financial Statements

Year ended 31 December 2007

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COMPANIES HOUSE

Registered No 5178729

Registered No 5178729

Directors
S Denyer
O Slipper
A Croker

Secretary
D W Surtees

Auditors
Grant Thornton UK LLP
Grant Thornton House
Melton Street
London
NW1 2EP

Bankers
The Royal Bank of Scotland
Argyll House
246 Regent Street
London
W1B 3PB

Lawyers
Wiggin
Met Building
22 Percy Street
London
W1T 2BU

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Sussex House
Plane Tree Crescent
Feltham
Middlesex
TW13 7HE

Directors' report

The Directors present the annual report and audited financial statements for the year ended 31 December 2007

Principal activities

The principal activity of the Company was to provide management and support services to two of its operating subsidiaries, In Form Sponsorship Services Limited and Perform Media Channels Ltd (formerly In Form Media Services Limited)

In the year to 31 December 2007 the company recorded a profit after taxation of £41,856 (2006 £88,742 profit) The Directors approved the payment of an interim dividend of £28,545 but do not recommend the payment of a final dividend (2006 £71,000)

On 7 September 2007 the shareholding in the Company was sold to Perform Group Ltd (formerly Premium TV Holdings Ltd) for consideration of £7,105,000, made up of 7% cash and the balance in shares of Perform Group Ltd The ultimate majority shareholder of Perform Group Ltd is Premium TV Group Limited, a company registered in the British Virgin Islands

On the same day Perform Group Ltd also acquired, direct from the shareholders, the remaining B ordinary share capital of the Company's subsidiaries Perform Media Channels Ltd for consideration of £5,945,000, and In Form Sponsorship Services Limited for consideration of £1,450,000 Consideration was made up of 7% cash and the balance in shares of Perform Group Ltd Perform Group Ltd also acquired all of the share capital in In Form Fans Limited for £1

On 7 September 2007 Perform Group Ltd sold all four companies to its wholly owned subsidiary Perform Media Services Ltd for total consideration of £14,500,001 The consideration was in the form of an intercompany loan

On the same day Perform Media Services Ltd then sold to the Company its ordinary B shareholding in Perform Media Channels Ltd for consideration of £5,945,000, its ordinary B shareholding in In Form Sponsorship Services Limited for consideration of £1,450,000, and its shareholding in In Form Fans Limited for £1 These amounts are shown as fixed asset investments in the accounts At the year end £7,395,001 was owed by the Company to Perform Media Services Ltd in respect of these sales

Perform Media Services Ltd had provided technical services to the Company and its subsidiaries for a number of years The strategic rationale of the sale was to use the technology platform and key competencies of Perform Media Services Ltd together with the Company and its subsidiaries' sports rights and contacts with sports rights bodies to exploit these rights across a range of different digital media and to a range of business customers

Since the transaction the Company's staff have transferred to other companies within the Perform Group and its business activity has reduced, with the majority of business activity now conducted by Perform Media Channels Ltd, a wholly owned subsidiary The directors do not anticipate the Company undertaking any material transactions during 2008

Business Review and Principal risks

The Company ensured tight control over its costs during the year and was able to provide a sufficient level of management and support service to its subsidiaries

The rising cost of staff, rent and other utilities were the principal risks to the business These were managed through rigorous negotiation with suppliers Given the nature of the business the directors do not believe that there were any material credit, liquidity or cashflow risks

Directors' report

Directors and their interests

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

S Denyer
E Denyer (resigned 6 September 2007)
O Slipper (appointed 7 September 2007)

A Croker was appointed as a director on 11 April 2008

S Denyer and E Denyer each held 50 ordinary shares of the Company which were sold to Perform Group Ltd on 7 September 2007

Statement of directors' responsibilities in respect of the financial statements

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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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,
- 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 proper accounting records that 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 1985 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

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.

The directors are responsible for the maintenance and integrity of the website and accordingly the auditors accept no responsibility for the information published

Information published on the website is accessible in many countries and legislation in the UK concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Auditor

Grant Thornton UK LLP were appointed auditors to fill a casual vacancy in accordance with section 388(1) of the Companies Act 1985

By order of the Board

D Surtees

Date 30th October 2008

Report of the independent auditor

to the members of In Form Group Services Limited

We have audited the financial statements of In Form Group Services Limited for the year ended 31 December 2007 which comprise the principal accounting policies, profit and loss account, balance sheet and notes 1 to 16 These financial statements have been prepared under the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed

We read the Directors' Report and consider whether it is consistent with the audited financial statements We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

Report of the independent auditor

to the members of In Form Group Services Limited (continued)

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985

Grant Thornton UK LLP

Grant Thornton UK LLP
Registered Auditors
Chartered Accountants
London

Date 31 October 2008

Profit and loss account

for the year ended 31 December 2007

	Notes	***Year ended 31 December 2007 £***	*Year ended 31 December 2006 £*
Turnover	2	**307,520**	599,318
Cost of sales		**-**	(212,150)
Gross Profit		**307,520**	387,168
Administrative expenses		**(267,409)**	(257,688)
Operating profit		**40,111**	129,480
Net interest receivable	3	**1,691**	1,019
Profit on ordinary activities before taxation	4	**41,802**	130,499
Tax on profit on ordinary activities	7	**54**	(41,757)
Profit on ordinary activities after taxation		**41,856**	88,742

The results set out above relate wholly to continuing activities

The notes on pages 10 to 17 form part of these financial statements

Statement of total recognised gains and losses

for the year ended 31 December 2007

There were no recognised gains or losses during the year other than those set out in the profit and loss account above

Balance sheet

at 31 December 2007

	Notes	*31 December 2007* £	*31 December 2006* £
Fixed assets			
Tangible assets	8	**32,188**	17,090
Investments	9	**7,395,001**	1,000
		7,427,189	18,090
Current assets			
Debtors	10	**16,603**	731
Cash at bank		**2,918**	46,372
Creditors: amounts falling due within one year	11	**(7,415,110)**	(46,904)
Net current (liabilities)/assets		**(7,395,589)**	199
Total assets less current liabilities		**31,600**	18,289
Capital and reserves			
Called up share capital	12	**100**	100
Profit and loss account	13	**31,500**	18,189
Shareholders' funds	14	**31,600**	18,289

The notes on pages 10 to 17 form part of these financial statements

Approved by the Board on 30th October 2008

and signed on its behalf by

S Denyer
Director

Notes to the financial statements

for the year ended 31 December 2007

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The financial statements have been prepared in accordance with the going concern concept because one of the Company's controlling parties has given the necessary assurances such that sufficient resources will be made available for the foreseeable future so that the Company can meet its liabilities as and when they fall due

The Company's accounts present information about it as an individual undertaking and not as a group

The Company is exempt from being required to produce group accounts as it is part of a group Group accounts which include the Company and its subsidiaries are produced by Perform Group Ltd (formerly known as Premium TV Holdings Limited), a company incorporated in the United Kingdom

Statement of cash flows

Under Financial Reporting Standard No 1 Statement of Cash Flows (Revised), the Company is exempt from the requirements to prepare a statement of cash flows as it is a subsidiary that is more than 90% owned by the ultimate parent undertaking

Fixed assets and depreciation

Depreciation has been provided in order to write off the cost of depreciable fixed assets over their estimated useful lives The rate used for office furniture and equipment is straight line basis over three years

The carrying values of tangible fixed assets are reviewed for impairment, if events or changes in circumstance indicate that those carrying values may not be reasonable

Deferred taxation

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

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold, and

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

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

Notes to the financial statements

for the year ended 31 December 2007

2. Turnover

Turnover represents amounts derived from the provision of services falling within the Company's continuing ordinary activities, after the deduction of value added tax, all of which are conducted in the United Kingdom

3. Net interest receivable

	Year ended 31 December 2007	*Year ended 31 December 2006*
	£	£
Bank interest receivable	**1,691**	1,019

4. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging the following

	Year ended 31 December 2007	*Year ended 31 December 2006*
	£	£
Depreciation	**10,725**	5,697
Operating leases	**65,400**	65,400
Audit service	**15,637**	-
Non-audit services	-	10,951

5. Directors' remuneration

	Year ended 31 December 2007	*Year ended 31 December 2006*
	£	£
Emoluments	**24,592**	10,000
Social security	**1,863**	30
	26,455	10,030

The emoluments of the highest paid executive director were as follows

	£	£
Aggregate emoluments	22,451	10,030

Notes to the financial statements

for the year ended 31 December 2007

6. Employee costs

The average number of employees during the year (including executive directors) was 3 (2006 3), all of whom were employed in management and administration The aggregate payroll costs were as follows

	Year ended 31 December 2007	*Year ended 31 December 2006*
	£	£
Aggregate wages and salaries	**50,967**	44,371
Social security costs	**4,744**	3,789
Pension	**7,588**	-
	63,299	48,160

Notes to the financial statements

for the year ended 31 December 2007

7. Tax on profit on ordinary activities

	Year ended 31 December 2007	*Year ended 31 December 2006*
	£	£
Current tax		
UK corporation tax on profits of the period	**-**	41,757
Adjustment in respect of previous periods	**(852)**	-
Total current tax	**(852)**	41,757
Deferred tax		
Origination and reversal of timing differences	**798**	-
Other timing differences	**-**	-
Total deferred tax	**798**	-
Tax on profit on ordinary activities	**(54)**	41,757

Profit on ordinary activities before tax	**41,800**	130,499
Profit on ordinary activities multiplied by standard rate of tax (30%)	**12,540**	39,150
Effects of		
Difference between capital allowances and depreciation	**341**	(924)
Tax losses arising/ (utilised) in year	**-**	-
Expenses not deductible for tax purposes (including amortisation of goodwill)	**2,603**	12,635
Group relief	**(15,427)**	-
Other timing differences	**-**	-
Adjustment to tax charge in respect of previous periods	**(852)**	-
Profits charged at lower rate of tax	**-**	(9,104)
Difference in deferred tax rates	**(57)**	-
Current tax (credit)/charge for the period	**(852)**	41,757

Notes to the financial statements

for the year ended 31 December 2007

8. Tangible fixed assets

	Office Equipment £
Cost	
At 1 January 2007	25,205
Additions	25,823
At 31 December 2007	51,028
Depreciation	
At 1 January 2007	8,115
Charged during the year	10,725
At 31 December 2007	18,840
Net book value	
At 31 December 2007	32,188
At 31 December 2006	17,090

9. Fixed asset investments

	£
Cost	
At 1 January 2007	1,000
Additions	7,395,001
Disposals	1,000
At 31 December 2007	7,395,001
Net book value	
At 31 December 2007	7,395,001
At 31 December 2006	1,000

Investments include

Perform Media Channels Ltd – 100% owned and incorporated in the UK

In Form Sponsorship Services Limited – 100% owned and incorporated in the UK

In Form Fans Limited – 100% owned and incorporated in the UK

The Company is exempt from being required to produce group accounts as it is part of a group Group accounts are produced by Perform Group Ltd (formerly known as Premium TV Holdings Limited), a company incorporated in the United Kingdom

Notes to the financial statements

for the year ended 31 December 2007

10. Debtors

	2007 £	*2006* £
Trade debtors	-	-
Amounts due from group undertakings	**7,955**	-
Other taxes and social security costs	**2,593**	-
Other debtors	**6,055**	733
	16,603	733

11. Creditors: amounts falling due within one year

	2007 £	*2006* £
Trade creditors	**15,377**	803
Amounts due to group undertakings	**7,395,001**	-
Deferred tax	**798**	
Other creditors and accruals	**3,934**	3,662
Other taxes and social security costs	-	42,439
	7,415,110	46,904

At the year end £7,395,001 was owed by the Company to Perform Media Services Ltd in respect of the acquisitions of Perform Media Channels Ltd, In Form Sponsorship Services Limited and In Form Fans Limited

Provision for deferred tax

	2007 £	*2006* £
Accelerated capital allowances	**798**	-
Other timing differences	-	-
Tax losses carried forward	-	-
Provision for deferred tax	**798**	-

Provision at start of period	-	-
Deferred tax charge in profit and loss account for the period	-	-
Prior year	1,139	-
Current year at 28%	(341)	-
Provision for deferred tax	798	-

Notes to the financial statements

for the year ended 31 December 2007

12 Share capital

	2007 Number	2006 Number	2007 £	2006 £
Authorised				
Ordinary shares of £1 each	**1,000**	1,000	**1,000**	1,000
Ordinary 'A' shares of £1 each	**1,000**	1,000	**1,000**	1,000
Ordinary 'B' shares of £1 each	**1,000**	1,000	**1,000**	1,000
			3,000	3,000

	2007 Number	2006 Number	2007 £	2006 £
Allotted, called up and fully paid				
Ordinary shares of £1 each	**100**	100	**100**	100

13. Profit and loss account

	Year ended 31 December 2007 £	Year ended 31 December 2006 £
At start of year	**18,189**	449
Retained profit for the year	**41,856**	88,740
Dividends	**(28,545)**	(71,000)
At end of year	**31,500**	18,189

14. Reconciliation of shareholders' funds and movements on reserves

	Equity interests £	Non-equity interests £	Total shareholders' funds £
At 1 January 2006	100	449	549
Profit for the year	-	17,740	17,740
At 31 December 2006	100	18,189	18,289
Profit for the year	-	13,311	13,311
At 31 December 2007	100	31,500	31,600

Notes to the financial statements

for the year ended 31 December 2007

15. Related party transactions

During the year the Company sold goods and services and loaned cash to Perform Media Channels Ltd totalling £307,512 (2006 nil) At the year end the amount of £7,955 (2006 nil) (including VAT) remained unpaid

16. Controlling parties

The immediate parent undertaking of the Company is Perform Media Services Ltd Perform Group Ltd (formerly known as Premium TV Holdings Limited), a company incorporated in the United Kingdom, is the parent undertaking for which group financial statements are drawn up and of which the Company is a member

The ultimate parent undertaking of the Company is Premium TV Group Limited, a company incorporated in the British Virgin Islands