Company Registration No. 9676399

Perform Investment Limited

Annual Report and Financial Statements

For the period ended 31 December 2015

PERFORM INVESTMENT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

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PERFORM INVESTMENT LIMITED

STRATEGIC REPORT

The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

Principal activities

In response to the rapid changes in the consumption of sports and media content (for example, the shift from analogue and pay TV platforms to a range of digital devices, including smartphones, tablets and smart TVs) and increasing consumer demand for sporting content, the Group intends to launch direct-to-consumer media products using its digital media rights and technology in 2016.

In connection with this, the Group incorporated Perform Investment Limited (together with its subsidiaries, the "OTT Business") as an indirect wholly-owned subsidiary of the Company on 8 July 2015. The OTT Business, which has a separate divisional management team, began acquiring digital media rights, developing its product as well as engaging in other start-up activities during 2015.

Financial review

Loss after tax for the period from incorporation to 31 December 2015 was £6,813k reflecting the start-up activities set out above.

Principal risks and uncertainties

While global economic conditions impact the live sports industry, this has not been, or is not anticipated to be, as affected by the economic conditions as many other sectors have been and thereby such conditions have not, to date, had a detrimental effect on the Company's operations. The company's ultimate parent has expressed its willingness to provide support for the company.

Financial risk management objectives and policies
The Company uses various financial instruments which include cash, trade debtors, trade creditors and amounts due to/from group undertakings that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

The main risks arising from the Company's financial instruments are liquidity risk and credit risk. The Directors review and agree policies for managing each of these risks and they are summarised below.

Liquidity risk
The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Company's policy throughout the period has been to achieve this objective through management's day-to-day involvement in business decisions rather than through setting maximum or minimum liquidity ratios.

Credit risk
The Company's principal financial assets are cash, prepayments and intercompany debtors.

The credit risk associated with cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises, therefore, from intercompany debtors. Group management performs group cash flow projections on a regular basis to assess whether companies of the group are able to repay balances.

Future developments

The directors expect the general level of activity to increase in the forthcoming year. This is as a result of the decision to continue developing and then launch a direct to consumer media product in 2016 as set out above.

Events after the balance sheet date

Details of significant events since the balance sheet date are contained in note 13 to the financial statements.

Approved by the Board of Directors and signed on behalf of the Board

A Milton

Director

11 August 2016

PERFORM INVESTMENT LIMITED

DIRECTORS' REPORT (CONTINUED)

The Directors present their annual report and the financial statements of the Company for the period from incorporation to 31 December 2015.

Going concern

Having reviewed cash flow forecasts, budgets and the availability of funding the Directors have a reasonable expectation that the Company has, or is able to call on, sufficient resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of these financial statements.

The company was incorporated and started trading on 8 July 2015 and is in the start-up phase. At 31 December 2015 the Company had net current liabilities of £11.2 million and no external borrowings. The Company's parent company, Perform Group Limited ("the Group") has indicated its willingness to provide support for the company.

During 2015 and subsequently in 2016, the Group alongside the Company has been building up to the launch of its OTT business. As part of the investment phase in this exciting and significant growth opportunity, the Group, on behalf of the Company, has made significant commitments for the acquisition of critical content rights and development of the platform and product ahead of the launch of the OTT business.

The Group has prepared a detailed financial forecast for the 5 year period to 2020. These forecasts indicate that, based on management's assumptions, the Group is likely to require significant additional funding during this period in order to discharge all obligations as they fall due, and to provide support to the Company if required. The Group's principal shareholder, Access Industries ("Access"), has confirmed its intention to continue to work with the Group to ensure that it has the necessary funding to complete its investment in its OTT business. This funding may take the form of further direct investment from Access and / or from external sources. The Group has a good record of obtaining the necessary funding to support its investment and growth plans, including shareholder support if required, evidenced by the take private of the Group in 2014 and the subsequent raising of both public and private debt. The Directors of the Group have considered the likely availability of alternative funding sources, and are satisfied that the necessary cash flow resources will be available.

On this basis, taking into account the uncertainty within the cash flow forecasts and the expected availability of funding, including support by Access as required, the Directors consider that the Group can provide appropriate support to the Company as necessary in order that the Company can meet its liabilities as they fall due for the foreseeable future. On this basis, the Directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future being at least 12 months from the date of signing these financial statements and accordingly have continued to adopt the going concern basis in preparing the accounts.

Directors

The Directors, who served throughout the period, were as follows:

J Rushton (appointed 8 July 2015)

A Milton (appointed 8 July 2015)

Dividend

The Directors do not recommend the payment of a dividend in respect of 2015 (2014: £nil).

Future developments, financial risk management objectives and policies and events after the balance sheet date

Details of future developments, financial risk management objectives and policies and events that have occurred after the balance sheet date can be found in the Strategic Report on page 1 and form part of this report by cross-reference.

PERFORM INVESTMENT LIMITED

DIRECTORS' REPORT (CONTINUED)

Statement of Director's 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 Financial Reporting Standard 101 Reduced Disclosure Framework. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable Financial Reporting Standard 101 Reduced Disclosure Framework has 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 to 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that they ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Company has appointed Deloitte LLP as statutory auditor during the period. Deloitte LLP has expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board

As Milt

A Milton

Director

11 August 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PERFORM INVESTMENT LIMITED

We have audited the financial statements of Perform Investment Limited for the year ended 31 December 2015 which comprise the Income Statement, the Balance Sheet and the Statement of Changes in Equity and the related notes 1 to 15. 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), including FRS 101 "Reduced Disclosure Framework".

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 Statement of Directors' responsibilities, as set out on Page 2, 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.

Scope of the audit of 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015 and of its loss for the period 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 the matter prescribed in the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period 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.

Andy Siddorns

Andy Siddorns (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
11 August 2016

PERFORM INVESTMENT LIMITED

INCOME STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2015

	Notes	For the period ended 31 December 2015 £'000
Turnover		-
Cost of sales		-
Gross profit		-
Administrative expenses		(5,710)
Operating loss		(5,710)
Interest receivable		13
Interest payable and similar charges		(1,116)
Loss on ordinary activities before taxation	2	(6,813)
Tax credit on profit on ordinary activities	4	-
Loss on ordinary activities after taxation		(6,813)

Operating loss is derived from continuing operations.

There were no other gains or losses during the period other than those set out in the income statement above and hence no statement of comprehensive income has been presented.

PERFORM INVESTMENT LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Notes	2015 £'000
Non-current assets		
Intangible assets	5	4,219
Tangible assets	6	181
		4,400
Current assets		
Debtors	8	18,677
Cash at bank and in hand		68,469
Total current assets		87,146
Creditors: amounts falling due within one year	9	(98,359)
Net current liabilities		(11,213)
Net liabilities		(6,813)
Capital and reserves		
Called-up share capital	10	-
Profit and loss account		(6,813)
Shareholder's funds		(6,813)

The financial statements of Perform Investment Limited, registered number 9676399, were approved and authorised for issue by the Board of Directors on 11 August 2016

Signed on behalf of the Board of Directors

A Milton
Director

PERFORM INVESTMENT LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2015

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
As incorporated on 8 July 2015	-	-	-
Loss for the period	-	(6,813)	(6,813)
As at 31 December 2015	-	(6,813)	(6,813)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

1. Accounting policies

Perform Investment Limited is a company incorporated in the United Kingdom on 8 July 2015 under the Companies Act 2006.

The address of the registered office is Sussex House, Plane Tree Crescent, Feltham, Middlesex, TW13 7HE. The nature of the Company's operations and its principal activities are set out in the strategic report on page 1.

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

Basis of preparation

The Company's accounts present information about it as an individual undertaking and not as a group. The Company has taken advantage of the exemption offered by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is a wholly owned subsidiary of Perform Group Limited which prepares consolidated financial statements that are publicly available.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the period ended 31 December 2015 the Company has applied FRS 101 as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices. The Company financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

The Company has applied FRS 101 'Reduced Disclosure Framework' incorporating the Amendments to FRS 101 issued by the FRC in July 2015 other than those relating to legal changes and has not applied the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 that are effective date of accounting periods beginning on or after 1 January 2016.

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and company law.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Exemptions

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective and related party transactions on the grounds that the Company is a wholly owned subsidiary undertaking of Perform Group Limited whose accounts are publicly available.

Going concern

The financial statements have been prepared using the going concern basis of accounting. Refer to the directors' report on page 2 for further discussion.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The items below are critical judgements that the Directors believe have a significant effect on the amounts recognised in these financial statements:

Content costs

The Company amortises its payments for sports streaming rights to cost of sales, based on a weighting of when the value of the rights will be returned, over a period not exceeding the contractual period.

1. **Accounting policies (continued)**

Critical judgements in applying the Group's accounting policies (continued)

Whilst in substance the sports rights are intangible assets, given their nature they are not capable of recognition as an intangible asset until the sports event occurs, at which time an asset is capable of recognition.

In the case of rights for live events or highlights that are generally viewed live or very soon after the event and unlike a film or TV programming are generally viewed significantly less as time passes after the original event the Group has considered whether there is any residual value to such video-on-demand offerings and concluded that any value would be minimal and not material.

Commitment to acquire content rights

The Company has commitments to acquire internet content rights. As at 31 December 2015 these commitments total £103 million. The Directors do not consider this commitment to be a financial liability as this commitment relates to future payments for future sporting events that the Group has acquired the right to stream. For the reasons set out above and as the organiser declares it waives the exercise of its own rights to stream the sport, the Group does not consider it meets the criteria for recognition of an intangible asset nor does it consider it has a financial liability in accordance with IAS 39 until the sporting event has been delivered.

Internally generated software and research

Management monitors progress of internal software development projects by using a project management system. Significant judgement is required in distinguishing whether such development should be recognised as an expense or capitalised. Development costs are recognised as an asset when all the relevant criteria are met. Where this is not the case costs are not capitalised and are written off as incurred.

The Group's Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems or developments after the time of recognition.

Tangible fixed assets

Tangible fixed assets are recorded at cost, net of depreciation and any provision for impairment. Depreciation is provided on a straight-line basis, at rates calculated to write off the cost, less the estimated residual value of each asset, evenly over its estimated useful life, as follows:

Internet hosting platform	–	33% per annum
Leasehold improvements	–	33% per annum

The carrying values of tangible fixed assets are periodically reviewed for impairment and adjusted if events or changes in circumstances indicate the carrying value may not be recoverable.

Intangible assets

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred

Development costs (including directly attributable overheads) are capitalised only when it is probable that future economic benefit will result from the project and the following criteria are met:

- the technical feasibility of the product has been ascertained;
- adequate technical, financial and other resources are available to complete and sell or use the intangible asset;
- the company can demonstrate how the intangible asset will generate future economic benefits and the ability to use or sell the intangible asset can be demonstrated;
- it is the intention of management to complete the intangible asset and use it or sell it; and
- the development costs can be measured reliably.

Where these criteria are not met development costs are charged to the Income Statement as incurred.

1. Accounting policies (continued)

Amortisation is recognised as an administrative expense and provided on computer software development at a rate calculated to write each asset down to its estimated residual value (assumed to be nil), using the straight-line method, over three years.

Impairment of tangible and intangible assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal 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 the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Debtors

Debtors do not carry any interest and are stated at their fair value on initial recognition (plus transaction costs if any) and carried at amortised cost under the effective interest method.

Cash

Cash includes cash in hand and bank accounts.

Creditors

Creditors are not interest bearing and are stated at their fair value on initial recognition (plus transaction costs if any) and carried at amortised cost.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

1. **Accounting policies (continued)**

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

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.

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.

Foreign exchange

Transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are re-translated at the rates prevailing at that date. Exchange differences are recognised in profit or loss in the period in which they arise.

Content costs

The Company licenses the right (from sports associations, sports bodies, leagues or their agents or partners) to supply live sports content to consumers via the Company's digital media platform.

The rights the Company licenses are for a fixed period of time, over a number of years. The rights are generally paid in instalments over the length of the contract, either in advance (and as such the Company will recognise a prepayment) or arrears (and as such the Company will recognise an accrual).

The Company recognises an expense for sports streaming rights to cost of sales, based on a weighting of when the value of the rights will be returned, over a period not exceeding the contractual period. See Critical accounting judgements and key sources of estimation uncertainty for further detail.

Long term cash settled scheme

For long-term cash-settled payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is re-measured with any changes in fair value recognised in profit or loss for the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2015

2. Loss before tax

Loss on ordinary activities before taxation is stated after charging the following:

	2015 £'000
Depreciation	4
Fees payable to Deloitte LLP for the audit of the company's annual accounts*	10

*The above fees all relate to the audit of the Company's financial statements. No fees were payable for other services.

3. Employee costs

The company does not directly employ any individuals. There was an average of 20 individuals, none of whom were directors, undertaking activities on behalf of the company during the period and are employed by Perform Media Services Limited. The employees were paid by Perform Media Services Limited and their costs of £2.7 million for full 2015 year were re-charged to Perform Investment Limited. The aggregate payroll costs are as follows:

	2015 £'000
Aggregate wages and salaries	1,867
Social security costs	194
Pension costs	94
Contractors	174
Charge for long-term cash settled schemes	462
	2,691

The directors of the Company are employees of and paid via the payroll of Perform Group Limited. None of the directors receive any emoluments during the period for their services to the company and received no remuneration for their services to the company.

4. Tax on profit on ordinary activities

	2015 £'000
Current tax	
Current tax charge	-
Deferred tax	
Origination or reversal of temporary differences	-
Tax credit on profit on ordinary activities	-

UK corporation tax is calculated at 20.3% of the estimated assessable profit for the period.

The tax credit/ (charge) for the period can be reconciled to the loss before tax in the Income Statement as follows:

	2015 £'000
Loss on ordinary activities before tax	**(6,813)**
Loss on ordinary activities multiplied by standard rate of tax 20.3%	1,383
Effects of:	
Other timing differences on which no deferred tax is recognised	(94)
Losses on which no deferred tax recognised	(1,289)
Tax credit for the period	-

A reduction in the UK corporation tax rate from 21% to 20% was effective from 1 April 2015. Further reductions to 19% (effective from 1 April 2017), and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015.

5. Intangible fixed assets

	Research and development £'000
Cost	
At 8 July 2015	-
Additions	4,219
At 31 December 2015	4,219
Amortisation	
At 8 July 2015	-
Charge during the period*	-
At 31 December 2015	-
Net book value	
At 31 December 2015	4,219

Included within additions to research and development in 2015 is £494k of capitalised internal staff costs.

*The research and development assets have not been amortised in the period as they are not yet in use.

6. Tangible fixed assets

	Internet hosting owned £'000	Leasehold improvements £'000	Total £'000
Cost			
At 8 July 2015	-	-	-
Additions	172	13	185
At 31 December 2015	172	13	185
Depreciation			
At 8 July 2015	-	-	-
Charge during the period	(2)	(2)	(4)
At 31 December 2015	(2)	(2)	(4)
Net book value			
At 31 December 2015	170	11	181

7. Subsidiaries

Details of the trading investments in which the Company holds 20% or more of the nominal value of any class of share capital include:

Name of Company	Country of incorporation	Proportion of all classes of issued share capital owned by the Company	Principal activity
Directly owned:			
Perform Investment Japan KK	Japan	100%	Holding company

8. Debtors

Amounts falling due within one year:

	2015 £'000
Amounts due from group undertakings	1,954
Prepayments	16,723
	18,677

9. Creditors

Amounts falling due within one year:

	2015 £'000
Trade creditors	1,429
Amounts owed to group undertakings	95,864
Other creditors and accruals	1,066
	98,359

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2015

10. Called-up share capital

	2015 £
Authorised	
1 ordinary shares of £1 each	1
Allotted, called-up and fully paid	
1 ordinary shares of £1 each	1

The Company has one class of ordinary shares which carry no right to income.

11. Long term cash based scheme

In order to ensure appropriate employee retention arrangements are in place, Perform Group Limited and its subsidiaries have put in place a long-term cash-based scheme in which the Company's employees are eligible to participate. The amount of the payment will be determined by the level of business performance against revenue and EBITDA targets in the years to 31 December 2015, 2016 and 2017 and the cost of the scheme will be spread over the vesting period to April 2018. As such a charge of £0.5 million has been recognised in respect of this scheme in the year to 31 December 2015.

12. Related party transactions

The Company has taken the available exemption under FRS 101 'Reduced Disclosure Framework' from disclosing transactions with fellow 100% held subsidiaries of the Perform Group Limited group of companies.

There were no other related party transactions to disclose.

13. Events after the balance sheet date

There were no significant post balance sheet events to disclose.

14. Parent undertaking

The immediate parent undertaking of the Company is Perform Media Channels Limited. Perform Group Limited, a Company incorporated in the United Kingdom, is the smallest parent undertaking for which group financial statements are drawn up and of which the Company is a member.

Copies of Perform Group Limited financial statements are available from Hanover House, Plane Tree Crescent, Feltham, United Kingdom, TW13 7BZ.

AI Perform Holdings LLP, a Company incorporated in the United Kingdom, is the ultimate holding company of the largest group for which consolidated financial statements are drawn up and of which the Company is a member. AI Perform Holdings LLP and the Company are ultimately controlled by Len Blavatnik.

Copies of AI Perform Holdings LLP consolidated financial statements will be available from Companies House.

15. Other financial commitments

At 31 December 2015 the Company had commitments to acquire internet content rights of £103 million as set out below:

	2015 £'000
Commitments for the next year under operating leases which expire:	
Within one year	40,508
Two to five years	62,519