

COMPANY REGISTRATION NUMBER 477913

PORTWAY PRESS LIMITED
FINANCIAL STATEMENTS
FOR
30 April 2011



PORTWAY PRESS LIMITED (registered number 477913)

FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

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PORTWAY PRESS LIMITED (registered number 477913)

THE DIRECTORS' REPORT

YEAR ENDED 30 April 2011

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 April 2011

PRINCIPAL ACTIVITIES

The principal activities of the company throughout the year have been that of printers, publishers and the licensing of intellectual property of Timeform Horse Racing Publications

BUSINESS REVIEW

The Company made a loss of £361,801 for the year ended 30 April 2011 (2010 £202,011 loss)

The Company strategy is to increase Timeform brand awareness which should have a positive impact on profitability in the long term

The Company has met the requirements in the Companies Act 2006 to obtain the exemption provided from the presentation of an enhanced business review

DIRECTORS

The directors who served the company during the year were as follows

S Johnson

M Entenmann (Resigned 9 May 2011)

S Burn (Resigned 9 May 2011)

K Packman (Appointed 13 May 2011)

A Black (Appointed 13 May 2011)

J Lester (Appointed 13 May 2011)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (Effective April 2008) and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities)

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 judgments and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

PORTWAY PRESS LIMITED (registered number 477913)

THE DIRECTORS' REPORT

YEAR ENDED 30 April 2011

(continued)

DONATIONS

During the year the company made the following contributions

	2011	2010
	£	£
Charitable	<u>9,447</u>	<u>9,054</u>

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each 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 and to establish that the Company's auditor is aware of that information

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies

Signed by order of the directors



K Packman
Director

Waterfront
Hammersmith Embankment
Chancellors Road
London
W6 9HP

13th December 2011

PORTWAY PRESS LIMITED (registered number 477913)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTWAY PRESS LIMITED

We have audited the financial statements of Portway Press Limited for the year ended 30 April 2011 set out on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm

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 30 April 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter 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.

PORTWAY PRESS LIMITED (registered number 477913)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PORTWAY PRESS LIMITED**

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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



Johnathan Pass (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
1 The Embankment
Leeds
West Yorkshire
LS1 4DW

19 December 2011

PORTWAY PRESS LIMITED (registered number 477913)**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 April 2011**

		Year ended 30/4/2011	Year ended 30/4/2010
	Note	£	£
TURNOVER	1	2,676,722	2,745,762
Cost of sales		<u>(516,683)</u>	<u>(559,095)</u>
GROSS PROFIT		2,160,039	2,186,667
Total administrative expenses		<u>(2,522,025)</u>	<u>(2,390,861)</u>
OPERATING LOSS	2	(361,986)	(204,194)
Interest receivable	4	185	2,191
Interest payable	5	-	(8)
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(361,801)	(202,011)
Tax on loss on ordinary activities	6	-	-
		<hr/>	<hr/>
LOSS FOR THE FINANCIAL PERIOD		<u>(361,801)</u>	<u>(202,011)</u>

All amounts relate to continuing activities

There are no recognised gains or losses other than the loss for the year stated above

The notes on pages 10 to 19 form part of these financial statements

PORTWAY PRESS LIMITED (registered number 477913)**BALANCE SHEET****30 April 2011**

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets	7	757,395	825,755
Investments	8	1,000	1,000
		<u>758,395</u>	<u>826,755</u>
CURRENT ASSETS			
Stocks		6,833	8,703
Debtors due within one year	9	242,364	460,750
Cash at bank and in hand		157,634	331,493
		<u>406,831</u>	<u>800,946</u>
CREDITORS: Amounts falling due within one year	10	<u>(643,516)</u>	<u>(744,190)</u>
NET CURRENT ASSETS		<u>(236,685)</u>	<u>56,756</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>521,710</u>	<u>883,511</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	12	-	-
NET ASSETS		<u>521,710</u>	<u>883,511</u>
CAPITAL AND RESERVES			
Called-up equity share capital	13	5,000	5,000
Capital contribution reserve	14	1,285,200	1,285,200
Profit and loss account	14	(1,391,339)	(1,029,538)
Revaluation reserve	14	622,849	622,849
SHAREHOLDERS' FUNDS		<u>521,710</u>	<u>883,511</u>

These financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and authorised for issue by the directors on 13th December 2011 and are signed on their behalf by



K Packman
Director

The notes on pages 10 to 20 form part of these financial statements

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

Note of Historical Cost Profits and Losses

	Year ended 30/4/2011	Year ended 30/4/2010
	£	£
Reported loss on ordinary activities before taxation	(361,801)	(202,011)
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	12,294	12,294
	<hr/>	<hr/>
Historical cost loss on ordinary activities before taxation	(349,507)	(189,717)
	<hr/>	<hr/>
Historical cost loss for the period retained after taxation	(349,507)	(189,717)
	<hr/>	<hr/>

Reconciliation of Movements in Shareholders' Funds

	Year ended 30/4/2011	Year ended 30/4/2010
	£	£
Loss for the financial period	(361,801)	(202,011)
Dividends on shares classified in shareholders' funds	-	-
	<hr/>	<hr/>
Retained loss	(361,801)	(202,011)
Capital contribution	-	-
	<hr/>	<hr/>
Net reduction in shareholders' funds	(361,801)	(202,011)
Opening shareholders' funds	883,511	1,085,522
	<hr/>	<hr/>
Closing shareholders' funds	521,710	883,511
	<hr/>	<hr/>

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and the Financial Reporting Standard for Smaller Entities (effective April 2008). They have been prepared under the historical cost accounting rules, modified to include the revaluation of land and buildings.

The financial statements have been prepared on a going concern basis in view of the fact that the ultimate parent undertaking Betfair Group plc, has formally indicated that it will provide sufficient funding to the company to enable it to meet its liabilities as they fall due, for at least the next twelve months.

The directors have no reason to believe that the parent company will not be in a position to provide the support referred to above and, accordingly, have prepared the financial statements on a going concern basis.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 400 of the Companies Act 2006 not to prepare group accounts.

Turnover

Turnover comprises the total cash and credit sales of Timeform Publications, advertising receipts, telephone service receipts and licensing of intellectual property, net of value added tax. Revenues related to subscription services are deferred on the balance sheet and are released to the profit and loss account when the service has been provided.

Fixed assets and Depreciation

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

Freehold buildings	2% on Cost
Printing Machinery	10% on Cost
Office equipment	20% on Cost
Computer equipment	33% on Cost
Motor vehicles	33% on Cost

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

1. ACCOUNTING POLICIES *(continued)*

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by the Financial Reporting Standard for Smaller Entities (effective April 2008).

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating loss.

2. OPERATING LOSS

Operating loss is stated after charging / (crediting)

	Year ended 30/4/2011 £	Year ended 30/4/2010 £
Staff pension costs		
Defined contribution	76,115	38,103
Depreciation of owned fixed assets	73,638	89,396
Loss/(profit) on disposal of fixed assets	301	(5,370)
Auditors' fees – audit of these financial statements	12,000	12,000
Net (profit)/loss on foreign currency translation	(163)	228

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

	Year ended 30/4/2011	Year ended 30/4/2010
	£	£
Aggregate emoluments	<u>100,884</u>	<u>90,125</u>

Retirement benefits were accruing to nil (2010 nil) directors under defined benefit schemes

4. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 30/4/2011	Year ended 30/4/2010
	£	£
Bank Interest	<u>185</u>	<u>2,191</u>

5. OTHER INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 30/4/2011	Year ended 30/4/2010
	£	£
On bank loans and overdrafts	<u>-</u>	<u>8</u>

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

6. TAXATION ON ORDINARY ACTIVITIES

		Year ended 30/4/2011		Year ended 30/4/2010
	£	£	£	£
<i>Analysis of charge in the period</i>				
UK Corporation tax				
Current tax on income in the period		-		-
Over/under provision in prior year		-		-
		<u>-</u>		<u>-</u>
Total current tax		-		-
Deferred tax				
<i>Origination and reversal of timing differences (note 12):</i>				
Capital allowances	-		-	
Losses	-		-	
Effect of changes in tax rate on opening balance	-		-	
Other	-		-	
	<u>-</u>		<u>-</u>	
Total deferred tax (note 12)		-		-
		<u>-</u>		<u>-</u>
Tax on loss on ordinary activities		-		-
		<u>-</u>		<u>-</u>

PORTWAY PRESS LIMITED (registered number 477913)**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 April 2011****7. TANGIBLE FIXED ASSETS**

	Freehold land & buildings £	Printing & office equipment £	Computer equipment £	Motor vehicles £	Total £
COST					
At 30 April 2010	750,000	496,971	722,129	84,997	2,054,097
Additions	-	3,499	18,030	-	21,529
Disposals	-	(13,629)	-	(27,544)	(41,173)
At 30 April 2011	750,000	486,841	740,159	57,453	2,034,453
DEPRECIATION					
At 30 April 2010	51,250	448,059	703,933	25,100	1,228,342
Charge for the year	15,000	17,635	14,815	26,188	73,638
On disposals		(11,916)	-	(13,006)	(24,922)
At 30 April 2011	66,250	453,778	718,748	38,282	1,277,058
NET BOOK VALUE					
At 30 April 2011	683,750	33,063	21,411	19,171	757,395
At 30 April 2010	698,750	48,912	18,196	59,897	825,755

The depreciation policies are shown in note 1

The amount of revalued freehold property and land as determined according to the historical cost accounting rules is £115,549. The freehold land & buildings were valued in October 2006 by CRE Collier. The valuation was prepared on the open market value basis and was made in accordance with the RICS Appraisal and Valuation Manual.

Capital commitments

	2011 £	2010 £
Contracted but not provided for in the financial statements	-	-

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

8. FIXED ASSET INVESTMENTS

Shares in subsidiary undertaking:

	Subsidiary £	Total £
COST		
At 30 April 2010	1,000	1,000
Additions		
Disposals		
At 30 April 2011	<u>1,000</u>	<u>1,000</u>
AMOUNTS WRITTEN OFF		
At 30 April 2010 and 30 April 2011	<u>-</u>	<u>-</u>
NET BOOK VALUE		
At 30 April 2011	<u>1,000</u>	<u>1,000</u>
At 30 April 2010	<u>1,000</u>	<u>1,000</u>

Investment in subsidiaries

	2011 £	2010 £
Timeform Betfair Racing Club Limited	<u>1,000</u>	<u>1,000</u>

The company holds 100% of the issued share capital of Timeform Betfair Racing Club Limited, incorporated in England. Timeform Betfair Racing Club Limited owns and runs a number of race horses.

Under the provision of s400 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

9. DEBTORS

	2011 £	2010 £
Trade debtors	110,643	110,263
Amounts due from parent company	-	183,049
Other debtors	40,996	65,410
Prepayments and accrued income	90,725	102,028
	<u>242,364</u>	<u>460,750</u>

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

10. CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
Bank loans and overdrafts	-	85,142
Trade creditors	91,673	72,569
Taxation and social security	-	35,968
Amounts due to parent company	58,180	-
Other creditors	37,335	52,976
Accruals and deferred income	456,328	497,535
	<u>643,516</u>	<u>744,190</u>

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

12. PROVISIONS FOR LIABILITIES AND CHARGES

The movement in the deferred taxation provision during the year was

	2011	2010
	£	£
Provision brought forward	-	-
Profit and loss account movement arising during the period	-	-
	<hr/>	<hr/>
Provision carried forward	<hr/>	<hr/>

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The total amount unprovided is approximately £91,000 (2010 £105,000). At present it is not envisaged that any tax will become payable in the foreseeable future.

There is an unrecognised deferred tax asset amounting to £36,000 (2010 £32,000) arising in respect of future capital allowances and tax losses. This asset has not been recognised on the basis that there is uncertainty over future profits against which the asset would be realised.

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

13. SHARE CAPITAL

Authorised share capital:

	2011	2010
	£	£
86,068 Ordinary shares of £1 each	86,068	86,068
750 "A" Ordinary shares of £1 each	750	750
	<u>86,818</u>	<u>86,818</u>

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
Ordinary shares of £1 each	4,250	4,250	4,250	4,250
"A" Ordinary shares of £1 each	750	750	750	750
	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

The two classes of ordinary share will rank pari passu in all respects except with regard to the transfer of the shares

14. RESERVES

	Capital contribution reserve £	Revaluation reserve £	Profit and loss account £
Balance brought forward	1,285,200	622,849	(1,029,538)
Loss for the period	-	-	(361,801)
Balance carried forward	<u>1,285,200</u>	<u>622,849</u>	<u>(1,391,339)</u>

15. SHARE BASED PAYMENTS

PORTWAY PRESS LIMITED (registered number 477913)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 April 2011

The ultimate parent company operates a Save-As-You-Earn (SAYE) share option scheme in which all UK employees can participate. Participants save a fixed amount of up to £250 per month for three years and are then able to use these savings to buy shares in the ultimate parent company at a price fixed at a 20% discount to the market value at the start of the savings period. Share options are granted under a service condition. There are no market conditions associated with the share option grants.

The SAYE options must ordinarily be exercised within six months of completing the relevant savings period, and are satisfied through the issue of new shares. In line with market practice, the exercise of these options is not subject to any performance condition.

In the prior year, 3,030 options were granted to 13 employees. There were no grants made for the year ended 30 April 2011. Details of these options are shown below.

Financial year options granted	2011	2010
Option price at date of grant	-	£10.00
Exercise price	-	£8.00

The table below shows all SAYE options held by the employees of the Company.

Financial year granted	Outstanding at 1 May 2010	Granted during the year	Lapsed/ cancelled during the year	Exercised during the year	Outstanding at 30 April 2011	Exercise Price £	Exercisable before
2008	30,009	-	(2,880)	(27,129)	-	£8.00	2011
2009	4,977	-	-	-	4,977	£8.00	2012
2010	2,804	-	-	-	2,804	£8.00	2013
	37,790	-	(2,880)	(27,129)	7,781		

16. ULTIMATE PARENT COMPANY AND PARENT UNDERTAKING OF LARGER GROUP OF WHICH THE COMPANY IS A MEMBER

The Company's immediate parent is Betfair Limited, a company incorporated in England. The Company's ultimate parent is Betfair Group plc, a company incorporated in England.

The largest group in which the results of the Company are consolidated is that headed by Betfair Group plc. The consolidated financial statements of Betfair Group plc are available from Companies House.