

COMPANY REGISTRATION NUMBER 477913

**PORTWAY PRESS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR**  
**30 APRIL 2009**

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**PORTWAY PRESS LIMITED (registered number 477913)**

**FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2008**

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# **PORTWAY PRESS LIMITED (registered number 477913)**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 30 APRIL 2009**

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 April 2009.

#### **PRINCIPAL ACTIVITIES**

The principal activities of the company throughout the year have been that of printers and publishers of Timeform Horse Racing Publications.

#### **BUSINESS REVIEW**

The Company made a loss of £966,030 for the year ended 30 April 2008 (2008: £215,753 loss).

In January 2009 the assets and liabilities in respect of the defined benefit pension scheme were transferred to the members at a cost of £885,200. This cost has been expensed through the profit and loss account. At the same time an equivalent cash contribution was received from the parent company to cover this cost.

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

#### **DIRECTORS**

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

J C McGrath (resigned 20/2/2009)

P R Bell

S Johnson

M Entenmann

S Burn

#### **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 2009**

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*(continued)*

**DONATIONS**

During the year the company made the following contributions:

	2009	2008
	£	£
Charitable	<u>715</u>	<u>1,342</u>

**DISCLOSURE OF INFORMATION TO AUDITORS**

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 auditors are 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 auditors are aware of that information.

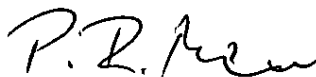
**AUDITORS**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP 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



**P R Bell**  
Director

Waterfront  
Hammersmith Embankment  
Chancellors Road  
London  
W6 9HP

28 January 2010

# **PORTWAY PRESS LIMITED (registered number 477913)**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTWAY PRESS LIMITED**

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We have audited the financial statements of Portway Press Limited for the year ended 30 April 2009 set out on pages 7 to 20. 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 auditors' 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**

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 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/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **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 2009 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 AUDITORS' REPORT TO THE MEMBERS OF  
PORTWAY PRESS LIMITED**

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**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 LLP, Statutory Auditor**

Chartered Accountants

1 The Embankment

Leeds

West Yorkshire

LS1 4DW

28 January 2010

**PORTWAY PRESS LIMITED (registered number 477913)****PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 APRIL 2009**

		Year ended 30/4/2009	Year ended 30/4/2008
	Note	£	£
<b>TURNOVER</b>	<b>1</b>	<b>2,683,600</b>	<b>2,917,523</b>
Cost of sales		<u>(570,119)</u>	<u>(534,997)</u>
<b>GROSS PROFIT</b>		<b>2,113,481</b>	<b>2,382,526</b>
Administrative expenses before pension fund settlement		<b>(2,217,570)</b>	<b>(2,610,393)</b>
Pension fund settlement	<b>11</b>	<b>(885,200)</b>	<b>-</b>
Total administrative expenses		<u><b>(3,102,770)</b></u>	<u><b>(2,610,393)</b></u>
<b>OPERATING LOSS</b>	<b>2</b>	<b>(989,289)</b>	<b>(227,867)</b>
Interest receivable	<b>4</b>	<b>23,274</b>	<b>16,764</b>
Interest payable	<b>5</b>	<b>(15)</b>	<b>(4,650)</b>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><b>(966,030)</b></u>	<u><b>(215,753)</b></u>
Tax on loss on ordinary activities	<b>6</b>	<b>-</b>	<b>-</b>
<b>LOSS FOR THE FINANCIAL PERIOD</b>		<u><b>(966,030)</b></u>	<u><b>(215,753)</b></u>

All amounts relate to continuing activities.

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

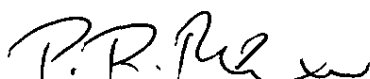
The notes on pages 10 to 20 form part of these financial statements.

**PORTWAY PRESS LIMITED (registered number 477913)****BALANCE SHEET****30 APRIL 2009**

	Note	2009 £	2008 £
<b>FIXED ASSETS</b>			
Tangible assets	7	858,521	831,739
Investments	8	1,001	1
		<u>859,522</u>	<u>831,740</u>
<b>CURRENT ASSETS</b>			
Stocks		11,326	6,823
Debtors due within one year	9	492,997	623,550
Cash at bank and in hand		577,083	791,590
		<u>1,081,406</u>	<u>1,421,963</u>
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>(855,406)</u>	<u>(1,087,351)</u>
<b>NET CURRENT ASSETS</b>		<u>226,000</u>	<u>334,612</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,085,522</u>	<u>1,166,352</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Deferred taxation	12	-	-
<b>NET ASSETS EXCLUDING PENSION LIABILITIES</b>		<u>1,085,522</u>	<u>1,166,352</u>
Net pension asset/(liability)	11	-	-
<b>NET ASSETS INCLUDING PENSION ASSETS/LIABILITIES</b>		<u>1,085,522</u>	<u>1,166,352</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	13	5,000	5,000
Capital contribution reserve	14	1,285,200	400,000
Profit and loss account	14	(827,527)	138,503
Revaluation reserve	14	622,849	622,849
<b>SHAREHOLDERS' FUNDS</b>		<u>1,085,522</u>	<u>1,166,352</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 28 January 2010 and are signed on their behalf by:



**P R Bell**  
**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 2009**

**Note of Historical Cost Profits and Losses**

	<b>Year ended 30/4/2009</b>	<b>Year ended 30/4/2008</b>
	<b>£</b>	<b>£</b>
<b>Reported loss on ordinary activities before taxation</b>	<b>(966,030)</b>	<b>(215,753)</b>
Realisation of property revaluation gains of previous years	-	262,136
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	<b>12,300</b>	<b>12,300</b>
	<hr/>	<hr/>
<b>Historical cost profit/(loss) on ordinary activities before taxation</b>	<b>(953,730)</b>	<b>58,683</b>
	<hr/>	<hr/>
<b>Historical cost profit/(loss) for the period retained after taxation</b>	<b>(953,730)</b>	<b>58,683</b>
	<hr/>	<hr/>

**Reconciliation of Movements in Shareholders' Funds**

	<b>Year ended 30/4/2009</b>	<b>Year ended 30/4/2008</b>
	<b>£</b>	<b>£</b>
<b>Loss for the financial period</b>	<b>(966,030)</b>	<b>(215,753)</b>
Dividends on shares classified in shareholders' funds	-	-
	<hr/>	<hr/>
Retained loss	<b>(966,030)</b>	<b>(215,753)</b>
Capital contribution	<b>885,200</b>	-
	<hr/>	<hr/>
<b>Net reduction in shareholders' funds</b>	<b>(80,830)</b>	<b>(215,753)</b>
Opening shareholders' funds	<b>1,166,352</b>	<b>1,382,105</b>
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b>1,085,522</b>	<b>1,166,352</b>
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# **PORTWAY PRESS LIMITED (registered number 477913)**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2009**

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### **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 Limited, 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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2009**

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**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.

The company also operated a pension scheme providing benefits based on final pensionable pay. In January 2009 the assets and liabilities in respect of the defined benefit pension scheme were transferred to the members.

The assets of the scheme were held separately from those of the Company.

Pension scheme assets were measured using market values. For quoted securities the mid-market price was taken as market value. Pension scheme liabilities were measured using a projected unit method and were discounted at the rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it was recoverable) or deficit was recognised in full. The movement in the scheme surplus/deficit was split between operating charges, finance items and, in the statement of total recognised gains and losses, actuarial gains and losses.

**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.

**PORTWAY PRESS LIMITED (registered number 477913)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2009**

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**2. OPERATING LOSS**

Operating loss is stated after charging / (crediting):

	<b>Year ended 30/4/2009</b>	<b>Year ended 30/4/2008</b>
	<b>£</b>	<b>£</b>
Staff pension costs:		
Defined contribution	38,635	43,930
Defined benefit scheme settlement	885,200	-
Depreciation of owned fixed assets	75,236	115,123
Loss/(profit) on disposal of fixed assets	(21,662)	16,106
Redundancy payments	-	94,341
Auditors' fees – audit of these financial statements	11,500	11,000
Net profit on foreign currency translation	<u>(389)</u>	<u>(471)</u>

**3. DIRECTORS' EMOLUMENTS**

The directors' aggregate emoluments in respect of qualifying services were:

	<b>Year ended 30/4/2009</b>	<b>Year ended 30/4/2008</b>
	<b>£</b>	<b>£</b>
Aggregate emoluments	<u>359,046</u>	<u>235,466</u>

Retirement benefits were accruing to nil (2008: 2) directors under defined benefit schemes.

**4. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>Year ended 30/4/2009</b>	<b>Year ended 30/4/2008</b>
	<b>£</b>	<b>£</b>
Bank Interest	<u>23,274</u>	<u>16,764</u>

**5. OTHER INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>Year ended 30/4/2009</b>	<b>Year ended 30/4/2008</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	15	1,406
Interest on loan from parent company	-	3,244
	<u>15</u>	<u>4,650</u>

**PORTWAY PRESS LIMITED (registered number 477913)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2009**

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**6. TAXATION ON ORDINARY ACTIVITIES**

		Year ended 30/4/2009		Year ended 30/4/2008
	£	£	£	£
<i>Analysis of charge in the period</i>				
UK Corporation tax				
Current tax on income in the period		-		-
Over/under provision in prior year		-		-
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	-		-	
Total deferred tax (note 12)		-		-
Tax on loss on ordinary activities		-		-

**PORTWAY PRESS LIMITED (registered number 477913)****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 APRIL 2009****7. TANGIBLE FIXED ASSETS**

	<b>Freehold land &amp; buildings</b>	<b>Printing &amp; office equipment</b>	<b>Computer equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>					
At 30 April 2008	750,000	463,943	704,188	140,226	2,058,357
Additions	-	18,066	8,017	101,298	127,381
Disposals	-	-	-	(153,501)	(153,501)
<b>At 30 April 2009</b>	<b><u>750,000</u></b>	<b><u>482,009</u></b>	<b><u>712,205</u></b>	<b><u>88,023</u></b>	<b><u>2,032,237</u></b>
<b>DEPRECIATION</b>					
At 30 April 2008	21,250	415,009	651,962	138,397	1,226,618
Charge for the year	15,000	16,857	25,961	17,418	75,236
On disposals	-	-	-	(128,138)	(128,138)
<b>At 30 April 2009</b>	<b><u>36,250</u></b>	<b><u>431,866</u></b>	<b><u>677,923</u></b>	<b><u>27,677</u></b>	<b><u>1,173,716</u></b>
<b>NET BOOK VALUE</b>					
<b>At 30 April 2009</b>	<b><u>713,750</u></b>	<b><u>50,143</u></b>	<b><u>34,282</u></b>	<b><u>60,346</u></b>	<b><u>858,521</u></b>
<b>At 30 April 2008</b>	<b><u>728,750</u></b>	<b><u>48,934</u></b>	<b><u>52,226</u></b>	<b><u>1,829</u></b>	<b><u>831,739</u></b>

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 £118,255. 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**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Contracted but not provided for in the financial statements	-	-

**PORTWAY PRESS LIMITED (registered number 477913)****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 APRIL 2009****8. FIXED ASSET INVESTMENTS****Shares in other investments and subsidiary undertaking:**

	<b>Subsidiary</b>	<b>Other</b>	<b>Total</b>
	<b>£</b>	<b>Investments</b>	<b>£</b>
		<b>£</b>	
<b>COST</b>			
At 30 April 2008	1	253,720	253,721
Additions	1,000	-	1,000
	<u>1,001</u>	<u>253,720</u>	<u>254,721</u>
At 30 April 2009			
	<u>1,001</u>	<u>253,720</u>	<u>254,721</u>
<b>AMOUNTS WRITTEN OFF</b>			
At 30 April 2008 and 30 April 2009	-	253,720	254,720
	<u>-</u>	<u>253,720</u>	<u>254,720</u>
<b>NET BOOK VALUE</b>			
At 30 April 2009	1,001	-	1,001
	<u>1,001</u>	<u>-</u>	<u>1,001</u>
At 30 April 2008	1	-	1
	<u>1</u>	<u>-</u>	<u>1</u>

**Investment in subsidiaries**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Portway Press Trustee Limited	1	1
Timeform Betfair Racing Club Limited	<u>1,000</u>	<u>-</u>

The company holds 100% of the issued share capital of Portway Press Trustee Limited and Timeform Betfair Racing Club Limited, companies incorporated in England. Portway Press Trustee Limited's only activity is to act as trustee of the Portway Press Profit Sharing Scheme and the Portway Press Employee Trusts. Timeform Betfair Racing Club Limited owns and runs a number of race horses. It is also a partner in a racing club.

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.

**Other investments comprise:**

	<b>Nominal holding</b>	<b>Cost (£)</b>
<b>Race-O UK Limited</b>		
Class A shares	2,418	20,166
Unsecured loan stock	120,000	80,662
Loan		25,000
<b>Race-O International Limited</b>	741	102,892
<b>Racing Lotto Limited</b>	2,731	25,000
		<u>253,720</u>
At cost		<u>253,720</u>
Impairment provision		(253,720)
<b>Net book value</b>		<u>-</u>

**PORTWAY PRESS LIMITED (registered number 477913)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2009**

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**9. DEBTORS**

	2009	2008
	£	£
Trade debtors	59,247	72,604
Amounts due from parent company	236,129	345,255
Other debtors	108,011	106,662
Prepayments and accrued income	89,610	99,029
	<u>492,997</u>	<u>623,550</u>

**10. CREDITORS: Amounts falling due within one year**

	2009	2007
	£	£
Bank loans and overdrafts	28,452	67,319
Trade creditors	102,848	120,388
Taxation and social security	31,664	34,832
Amounts owed to parent company	-	225,523
Other creditors	41,870	17,317
Accruals and deferred income	650,572	621,972
	<u>855,406</u>	<u>1,087,351</u>



# PORTWAY PRESS LIMITED (registered number 477913)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2009

### 11. DEFINED BENEFIT SCHEME

In January 2009 the assets and liabilities in respect of the defined benefit pension scheme were transferred to the members at a cost of £885,200. This cost has been expensed through the profit and loss account. At the same time an equivalent cash contribution was received from the parent company to cover this cost.

The company operated a funded pension scheme providing benefits based on final pensionable salaries. Contributions to the scheme ceased on 31 January 2007. The assets of the scheme are held in a separate trustee administered fund. The contributions were determined by a qualified actuary on the basis of triennial valuations.

The latest full actuarial valuation was carried out at 29 November 2006 and was updated to 30 April 2008 by a qualified independent actuary.

The principal assumptions made by the actuary were:

	2009	2008
Inflation	-	3.75%
Discount rate	-	6.10%
Salary increase	-	3.50%
Pensions in payment increase	-	3.0% - 3.50%
Expected return on plan assets	-	6.40%

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the scheme liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

	Expected return 2009	Value £'000 2009	Expected return 2008	Value £'000 2008
Equities	-	-	7.0%	1,369
Gilts and bonds	-	-	5.5%	305
Cash	-	-	5.0%	266
Other - Property	-	-	6.0%	468
Fair value of scheme assets	-	-	6.4%	2,408
Present value of scheme liabilities		-		(2,111)
Deferred tax		-		-
Net pension asset carried forward		-		297

The net pension asset was not been recognised as an asset at 30 April 2008 on the basis that it could not be recovered through reduced future contributions or refunds from the scheme.

The pension charge for the period was £nil (2008: £Nil).

**PORTWAY PRESS LIMITED** (registered number 477913)

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2009**

**11. DEFINED BENEFIT SCHEME** *(continued)*

	<b>2009</b>	<b>2008</b>
	<b>£ '000</b>	<b>£ '000</b>
Pension scheme surplus/(deficit) at the beginning of the period	<b>297</b>	<b>289</b>
Current service cost	-	-
Settlements and curtailments	<b>(297)</b>	-
Cash contributions	-	-
Past service cost	-	-
Net finance income	-	<b>34</b>
Actuarial gain/(loss)	-	<b>(26)</b>
Pension scheme surplus at the end of the period	<b>-</b>	<b>297</b>

The non recognition of the pension surplus as at 30 April 2008 has been dealt with by adjusting the finance income and actuarial loss accordingly in the profit and loss accounts and statement of total recognised gains and losses.

**12. PROVISIONS FOR LIABILITIES AND CHARGES**

The movement in the deferred taxation provision during the year was:

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Provision brought forward	-	-
Profit and loss account movement arising during the period	-	-
Provision carried forward	-	-

No provision has been made for deferred tax arising on potential gains due to the revaluing of property to its market value. Such tax would only become payable if the property were sold without it being possible to claim rollover relief. The total unprovided liability is approximately £147,000 (2008: £149,000). 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 £22,000 (2008:£15,000) 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 2009****13. SHARE CAPITAL****Authorised share capital:**

	2009	2008
	£	£
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:**

	2009		2008	
	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	400,000	622,849	138,503
Loss for the period	-	-	(966,030)
Capital contribution from parent	885,200	-	-
Balance carried forward	<u>1,285,200</u>	<u>622,849</u>	<u>(827,527)</u>

# PORTWAY PRESS LIMITED (registered number 477913)

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 30 APRIL 2009

#### 15. SHARE BASED PAYMENTS

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.

On 31 March 2009, 5,913 options were granted to 20 employees (2008: 34,396 options granted to 58). Details of these options are shown below:

Financial year options granted	2009	2008
Option price at date of grant	£10.00	£10.00
Exercise price	£8.00	£8.00

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

Financial year granted	Outstanding at 1 May 2008	Granted during the year	Lapsed/ cancelled during the year	Exercised during the year	Outstanding at 30 April 2009	Exercise Price £	Exercisable before
2008	32,716	-	(810)	(150)	31,756	8.00	2011
2009	-	5,913	-	-	5,913	8.00	2012
	<u>32,716</u>	<u>5,913</u>	<u>(810)</u>	<u>(150)</u>	<u>37,669</u>		

#### 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 Limited, a company incorporated in England.

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