

Registration number 04395472

**Havas Sports Limited**  
**Directors' report and financial statements**  
**for the year ended 31 December 2011**



**Havas Sports Limited**

**Company information**

<b>Directors</b>	G Bally M R B Craze K S Impey M E McElhatton
<b>Secretary</b>	M E McElhatton
<b>Company number</b>	04395472
<b>Registered office</b>	60 St Martins lane London WC2N 4JS
<b>Auditors</b>	Constantin 25 Hosier Lane London EC1A 9LQ

## **Havas Sports Limited**

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## **Havas Sports Limited**

### **Directors' report for the year ended 31 December 2011**

The directors present their report and the financial statements for the year ended 31 December 2011

#### **Principal activity**

The principal activity of the company continued to be the provision of sports marketing services and the activation of sponsorship rights and the company has a division called Havas Sport Insight which adds to its research and measurement capability

#### **Results**

The results for the year are set out on page 5

The directors have paid an interim dividend amounting to £550,000 and they do not recommend payment of a final dividend

#### **Directors**

The directors who served during the year are as stated below

G Baily  
M R B Craze  
K S Impey  
M E McElhatton

#### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP)

Company law requires the directors to prepare financial statements for each financial year which 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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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 which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**Havas Sports Limited**

**Directors' report  
for the year ended 31 December 2011**

In so far as the directors are aware

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006

**Auditors**

In accordance with Section 487(1) of the Companies Act 2006, a resolution proposing that Constantin be reappointed as auditors of the company will be put to the Annual General Meeting

This report is prepared in accordance with the special provisions of part XV of the Companies Act 2006 relating to small companies

18 June 2012

This report was approved by the Board on <sup>18 June 2012</sup> and signed on its behalf by



**M E McElhatton  
Director**

**Independent auditor's report to the shareholders of  
Havas Sports Limited**

We have audited the financial statements of Havas Sports Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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)

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 1 - 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on the 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 2011 and of its profit for the year 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 other matter prescribed by the Companies Act 2006.**

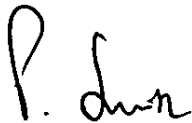
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the shareholders of  
Havas Sports 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 directors' report in accordance with the small companies regime



**Peter Smith FCA (Senior Statutory Auditor)  
For and behalf of Constantin, Statutory Auditor**

**25 Hosier Lane  
London  
EC1A 9LQ**

Date *25 June 2012.*

**Havas Sports Limited**

**Profit and loss account  
for the year ended 31 December 2011**

		<b>Continuing operations</b>	
		<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Notes</b>		
<b>Turnover</b>	<b>2</b>	6,182,935	7,701,612
Cost of sales		(3,667,066)	(4,622,227)
<b>Gross profit</b>		2,515,869	3,079,385
Administrative expenses		(1,932,708)	(2,218,396)
Other operating income		-	50,000
<b>Operating profit</b>	<b>3</b>	583,161	910,989
Other interest receivable and similar income		1,009	1,428
Interest payable and similar charges	<b>4</b>	(2,186)	-
<b>Profit on ordinary activities before taxation</b>		581,984	912,417
Tax on profit on ordinary activities	<b>6</b>	(166,223)	(269,117)
<b>Profit on ordinary activities after taxation</b>	<b>13</b>	415,761	643,300

There are no recognised gains or losses other than the profit or loss for the above two financial years

**The notes on pages 7 to 13 form an integral part of these financial statements.**



**Havas Sports Limited**

**Balance sheet  
as at 31 December 2011**

		2011		2010	
Notes	£	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		11,379		39,693
<b>Current assets</b>					
Debtors	9	2,177,107		2,011,946	
Cash at bank and in hand		200,742		205,648	
		<u>2,377,849</u>		<u>2,217,594</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(1,843,139)</u>		<u>(1,576,959)</u>	
<b>Net current assets</b>			<u>534,710</u>		<u>640,635</u>
<b>Total assets less current liabilities</b>			<u>546,089</u>		<u>680,328</u>
<b>Net assets</b>			<u><u>546,089</u></u>		<u><u>680,328</u></u>
<b>Capital and reserves</b>					
Called up share capital	11		1,053		1,053
Profit and loss account	13		<u>545,036</u>		<u>679,275</u>
<b>Shareholders' funds</b>	12		<u><u>546,089</u></u>		<u><u>680,328</u></u>

18 June 2012

The financial statements were approved by the Board on <sup>18 June 2012</sup> and signed on its behalf by



**M E McElhatton**  
Director

Registration number 04395472

The notes on pages 7 to 13 form an integral part of these financial statements

## Havas Sports Limited

### Notes to the financial statements for the year ended 31 December 2011

#### 1. Accounting policies

##### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

##### 1.2. Turnover

Turnover represents the total invoice value, excluding value added tax and trade discounts, of sales made during the year. Retainers are recognised in the month to which they relate and all other income is recognised on delivery of services to the customer.

##### 1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	-	33 33% straight line
Computer equipment	-	33 33% straight line

##### 1.4. Deferred taxation

Deferred taxation is accounted for on an undiscounted basis at expected tax rates on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statement. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

##### 1.5. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

##### 1.6. Related party transactions

In accordance with Financial Reporting Standard No 8, the company has taken advantage of the exemption for subsidiary undertakings, whose 100% voting rights are controlled within a group, from the requirement to disclose related party transactions, as the consolidated financial statements in which the company is included are publicly available.

##### 1.7. Cash flow statement

In accordance with Financial Reporting Standard No 1, the company has taken advantage of the exemption for subsidiary undertakings, whose 90% or more voting rights are controlled within a group, from the requirement to prepare a cash flow statement, as the consolidated financial statements in which the company is included are publicly available.

#### 2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2011**

<b>3. Operating profit</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging/(crediting)		
Depreciation and other amounts written off tangible assets	27,554	27,472
Auditors' remuneration	17,250	17,545
Net foreign exchange gain	13,112	869
	<u>          </u>	<u>          </u>
<b>4. Interest payable and similar charges</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
On loans and overdrafts	2,186	-
	<u>          </u>	<u>          </u>
<b>5. Employees</b>		
<b>Number of employees</b>	<b>2011</b>	<b>2010</b>
The average monthly numbers of employees (including the directors) during the year were	<u>          27</u>	<u>          28</u>
<b>Employment costs</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,265,364	1,365,888
Social security costs	152,149	173,788
	<u>1,417,513</u>	<u>1,539,676</u>
<b>5.1. Directors' remuneration</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration and other emoluments	<u>201,200</u>	<u>392,400</u>
<b>Highest paid director</b>	<b>£</b>	<b>£</b>
Amounts included above		
Emoluments and other benefits	<u>201,200</u>	<u>210,000</u>

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2011**

**6. Tax on profit on ordinary activities**

<b>Analysis of charge in period</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax	173,973	277,081
Adjustments in respect of previous periods	(869)	(614)
Total current tax charge	<u>173,104</u>	<u>276,467</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	(5,598)	(7,094)
Prior period adjustments	(1,283)	(256)
Total deferred tax	<u>(6,881)</u>	<u>(7,350)</u>
Tax on profit on ordinary activities	<u>166,223</u>	<u>269,117</u>

**Factors affecting tax charge for period**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (26.50 per cent). The differences are explained below:

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<u>581,984</u>	<u>912,417</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.50% (31 December 2010: 28.00%)	154,226	255,477
<b>Effects of:</b>		
Expenses not deductible for tax purposes	12,445	13,912
Capital allowances for period in excess of depreciation	7,302	7,692
Adjustments to tax charge in respect of previous periods	(869)	(614)
Current tax charge for period	<u>173,104</u>	<u>276,467</u>

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2011**

**6. Tax on profit on ordinary activities (continued)**

<b>(c) Deferred tax asset</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Capital allowances in excess of depreciation	23,029	16,148
Deferred tax asset	<u>23,029</u>	<u>16,148</u>
Asset at 1 January 2011	16,148	
Deferred tax credit in profit and loss account	6,881	
Asset at 31 December 2011	<u><u>23,029</u></u>	

**7. Dividends**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Dividends paid and proposed on equity shares</b>		
Ordinary shares - paid during the year	550,000	790,124
Ordinary shares - interim proposed	-	9,876
	<u><u>550,000</u></u>	<u><u>800,000</u></u>

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2011**

<b>8. Tangible fixed assets</b>	<b>Computer equipment £</b>	<b>Fixtures, fittings and equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2011	64,177	55,975	120,152
Disposals	(1,095)	-	(1,095)
At 31 December 2011	<u>63,082</u>	<u>55,975</u>	<u>119,057</u>
<b>Depreciation</b>			
At 1 January 2011	51,978	28,481	80,459
On disposals	(335)	-	(335)
Charge for the year	9,267	18,287	27,554
At 31 December 2011	<u>60,910</u>	<u>46,768</u>	<u>107,678</u>
<b>Net book values</b>			
At 31 December 2011	<u>2,172</u>	<u>9,207</u>	<u>11,379</u>
At 31 December 2010	<u>12,199</u>	<u>27,494</u>	<u>39,693</u>

<b>9. Debtors</b>	<b>2011 £</b>	<b>2010 £</b>
Trade debtors	1,172,789	912,271
Amounts owed by group undertakings	292,202	432,198
Other debtors	10,390	8,862
Prepayments and accrued income	678,697	642,467
Deferred tax (Note 6)	23,029	16,148
	<u>2,177,107</u>	<u>2,011,946</u>

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2011**

<b>10. Creditors: amounts falling due within one year</b>	<b>2011</b> <b>£</b>	<b>2010</b> <b>£</b>
Trade creditors	657,486	241,241
Amounts owed to group undertaking	354,761	129,774
Corporation tax	42,971	139,691
Other taxes and social security costs	111,264	158,410
Other creditors	16,643	13,529
Accruals and deferred income	660,014	884,438
Proposed dividend	-	9,876
	<u>1,843,139</u>	<u>1,576,959</u>
<b>11. Share capital</b>	<b>2011</b> <b>£</b>	<b>2010</b> <b>£</b>
<b>Allotted, called up and fully paid</b>		
1,053 Ordinary shares of £1 each	<u>1,053</u>	<u>1,053</u>
<b>12. Reconciliation of movements in shareholders' funds</b>	<b>2011</b> <b>£</b>	<b>2010</b> <b>£</b>
Profit for the year	415,761	643,300
Dividends	(550,000)	(800,000)
	<u>(134,239)</u>	<u>(156,700)</u>
Opening shareholders' funds	680,328	837,028
Closing shareholders' funds	<u>546,089</u>	<u>680,328</u>
<b>13. Equity Reserves</b>		<b>Profit and loss account</b> <b>£</b>
At 1 January 2011		679,275
Loss for the year		(134,239)
At 31 December 2011		<u>545,036</u>

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2011**

**14. Ultimate parent undertaking and controlling party**

The company's ultimate parent undertaking and controlling party is Havas S A , a company incorporated in France

The smallest and the largest group which produces consolidated financial statements that include the results of the company that is headed by Havas S A , whose financial statements are available from Allee de Longchamp, 92281 Suresnes Cedex, France