

Registration number 04395472

Havas Sports Limited
Directors' report and financial statements
for the year ended 31 December 2013



Havas Sports Limited

Company information

Directors	G Bailly A S Rhymer L R A Boyer D Delpont
Secretary	A S Rhymer
Company number	04395472
Registered office	60 St. Martin's Lane London WC2N 4JS
Auditors	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 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

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.

Directors

The directors who served during the year are as stated below:

G Bailly	
M R B Craze	(resigned 18 March 2014)
K S Impey	(resigned 17 May 2013)
A S Rhymer	
G Lott	(appointed 10 June 2013 and resigned 13 March 2014)

Statement of 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. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Havas Sports Limited

**Directors' report
for the year ended 31 December 2013**

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 has been prepared in accordance with the special provisions of Part XV of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 27/9/14 and signed on its behalf by



A S Rhymmer
Director

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

We have audited the financial statements of Havas Sports Limited for the year ended 31 December 2013 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 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 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 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 of 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 2013 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 members 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 *29 September 2014.*

Havas Sports Limited

Profit and loss account for the year ended 31 December 2013

		Continuing operations	
		2013	2012
	Notes	£	£
Turnover	2	6,513,783	4,886,562
Cost of sales		(4,087,611)	(2,902,497)
Gross profit		<u>2,426,172</u>	<u>1,984,065</u>
Administrative expenses		(2,333,361)	(1,788,967)
Operating profit	3	<u>92,811</u>	<u>195,098</u>
Other interest receivable and similar income	4	712	1,522
Interest payable and similar charges	5	(1,763)	(1,177)
Profit on ordinary activities before taxation		<u>91,760</u>	<u>195,443</u>
Tax on profit on ordinary activities	7	(23,173)	(54,219)
Profit on ordinary activities after taxation	16	<u><u>68,587</u></u>	<u><u>141,224</u></u>

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 2013**

	Notes	2013		2012	
		£	£	£	£
Fixed assets					
Tangible assets	10		-		136
Current assets					
Stocks	11	56,799		21,643	
Debtors	12	3,193,430		1,200,028	
Cash at bank and in hand		384,670		471,823	
		<u>3,634,899</u>		<u>1,693,494</u>	
Creditors: amounts falling due within one year	13	<u>(3,294,999)</u>		<u>(1,422,317)</u>	
Net current assets			<u>339,900</u>		<u>271,177</u>
Total assets less current liabilities			<u><u>339,900</u></u>		<u><u>271,313</u></u>
Capital and reserves					
Called up share capital	15		1,053		1,053
Profit and loss account	16		338,847		270,260
Shareholders' funds	17		<u><u>339,900</u></u>		<u><u>271,313</u></u>

The financial statements were approved by the Board on 29/9/2014, and signed on its behalf by


A S Rhymmer
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 2013

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.

1.3. Revenue recognition

Revenue comprises retainer fees and project income. Retainer fees are recognised monthly based on the fees agreed in the contract. Project income is recognised to reflect the partial performance of the contractual obligation on the basis of percentage completion of the job at the year end.

1.4. 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

Havas Sports Limited

Notes to the financial statements for the year ended 31 December 2013

1.5. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or subsequently enacted by the balance sheet date.

Deferred taxation is recognised in respect of all material timing differences that have originated but not been reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in future have occurred at the balance sheet date.

Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statement. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.6. Pensions

The company operates a defined contribution pension scheme. The amount charged to the Profit and Loss Account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

1.7. 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.

1.8. Related party transactions

In accordance with Financial Reporting Standards 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.

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Notes to the financial statements for the year ended 31 December 2013

1.9. 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.

3. Operating profit

	2013	2012
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	136	11,243
Auditors' remuneration	12,837	14,071
Net foreign exchange gain	7,898	843
	7,898	843

4. Interest receivable and similar income

	2013	2012
	£	£
Bank interest	712	1,522
	712	1,522

5. Interest payable and similar charges

	2013	2012
	£	£
On loans and overdrafts	1,763	1,177
	1,763	1,177

6. Employees

	2013	2012
Number of employees		
The average monthly numbers of employees (including the directors) during the year were:		
(including the directors) during the year were:	25	26
	25	26

Employment costs

	2013	2012
	£	£
Wages and salaries	1,395,855	1,141,293
Social security costs	167,831	141,440
Pension costs-other operating charge	341	214
	1,564,027	1,282,947

Havas Sports Limited

Notes to the financial statements for the year ended 31 December 2013

6.1. Directors' remuneration	2013	2012
	£	£
Remuneration and other emoluments	<u>166,848</u>	<u>203,151</u>
7. Tax on profit on ordinary activities		
Analysis of charge in period	2013	2012
	£	£
Current tax		
UK corporation tax	22,283	57,243
Adjustments in respect of previous periods	<u>(6,013)</u>	<u>(2,281)</u>
	16,270	54,962
Total current tax charge	<u>16,270</u>	<u>54,962</u>
Deferred tax		
Timing differences, origination and reversal	2,500	(743)
Prior period adjustments	<u>4,403</u>	<u>-</u>
Total deferred tax	6,903	(743)
Tax on profit on ordinary activities	<u>23,173</u>	<u>54,219</u>
Factors affecting tax charge for period		
The tax assessed for the period differs from the standard rate of corporation tax in the UK (23 per cent). The differences are explained below:		
	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>91,760</u>	<u>195,443</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (31 December 2012 : 24.50%)	21,334	47,884
Effects of:		
Expenses not deductible for tax purposes	917	6,605
Capital allowances for period in excess of depreciation	32	2,754
Adjustments to tax charge in respect of previous periods	<u>(6,013)</u>	<u>(2,281)</u>
Current tax charge for period	<u>16,270</u>	<u>54,962</u>

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Notes to the financial statements for the year ended 31 December 2013

8. Pension costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £341 (2012 - £214).

The amount outstanding at the Balance Sheet date was £nil (2012 - £1,268).

9. Dividends

	2013 £	2012 £
Dividends on equity shares:		
Equity dividends on ordinary shares	-	416,000
	<u> </u>	<u> </u>

10. Tangible fixed assets

	Computer equipment £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2013	63,082	55,975	119,057
At 31 December 2013	<u>63,082</u>	<u>55,975</u>	<u>119,057</u>
Depreciation			
At 1 January 2013	63,009	55,912	118,921
Charge for the year	73	63	136
At 31 December 2013	<u>63,082</u>	<u>55,975</u>	<u>119,057</u>
Net book values			
At 31 December 2013	<u> </u>	<u> </u>	<u> </u>
At 31 December 2012	<u>73</u>	<u>63</u>	<u>136</u>

11. Stocks

	2013 £	2012 £
Work in progress	56,799	21,643
	<u> </u>	<u> </u>

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Notes to the financial statements for the year ended 31 December 2013

12. Debtors	2013 £	2012 £
Trade debtors	1,087,481	513,899
Amounts owed by group undertakings	1,094,963	196,365
Other debtors	114,543	3,943
Prepayments and accrued income	867,536	448,555
Corporation tax receivable	12,038	13,494
Deferred tax (Note 7)	16,869	23,772
	<u>3,193,430</u>	<u>1,200,028</u>
	<u>3,193,430</u>	<u>1,200,028</u>
13. Creditors: amounts falling due within one year	2013 £	2012 £
Bank overdraft	569,917	-
Trade creditors	374,770	198,037
Amounts owed to group undertaking	1,232,485	271,724
Other taxes and social security costs	-	90,655
Other creditors	16,643	17,911
Accruals and deferred income	1,101,184	843,990
	<u>3,294,999</u>	<u>1,422,317</u>
	<u>3,294,999</u>	<u>1,422,317</u>
14. Deferred tax asset	2013 £	2012 £
Accelerated capital allowances	16,869	23,772
	<u>16,869</u>	<u>23,772</u>
	<u>16,869</u>	<u>23,772</u>
Asset at 1 January 2013	23,772	
Deferred tax charge in profit and loss account	(6,903)	
	<u>16,869</u>	
Asset at 31 December 2013	<u>16,869</u>	
15. Share capital	2013 £	2012 £
Allotted, called up and fully paid 1,053 ordinary shares of £1 each	1,053	1,053
	<u>1,053</u>	<u>1,053</u>
	<u>1,053</u>	<u>1,053</u>

Havas Sports Limited

Notes to the financial statements for the year ended 31 December 2013

16. Equity Reserves	Profit and loss account	
	£	
At 1 January 2013		270,260
Profit for the year		68,587
At 31 December 2013		<u>338,847</u>

17. Reconciliation of movements in shareholders' funds	2013	2012
	£	£
Profit for the year	68,587	141,224
Dividends	-	(416,000)
	<u>68,587</u>	<u>(274,776)</u>
Opening shareholders' funds	271,313	546,089
Closing shareholders' funds	<u>339,900</u>	<u>271,313</u>

18. Contingent liabilities

The company is a member of the Havas UK Limited group banking arrangements under which it is party to unlimited cross-guarantees in respect of the overdrafts of other group undertakings. The directors do not expect any material loss to the company to arise in respect of the forgoing guarantees.

19. Ultimate parent undertaking

The company's immediate parent company and controlling party is Havas Shared Services Limited, which is registered in England and Wales and its ultimate parent company and controlling party is Havas S.A., which is incorporated in France.

The smallest and largest group in which the results of the company are consolidated is that headed by Havas S.A., whose financial statements are publicly available in English and French from Havas S.A., 29/30 quai de Dion Bouton, F92817 Puteaux Cedex, France.