

Registration number 04395472

**Havas Sports Limited**  
**Directors' report and financial statements**  
**for the year ended 31 December 2012**



**Havas Sports Limited**

**Company information**

Directors	G Bailly M R B Craze A S Rhymer G Lott
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 2012**

The directors present their report and the financial statements for the year ended 31 December 2012

#### **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 Baily

M R B Craze

K S Impey (resigned 17 May 2013)

M E McElhatton (resigned 14 September 2012)

A S Rhymer (appointed 19 September 2012)

G Lott

#### **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

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

**Havas Sports Limited**

**Directors' report  
for the year ended 31 December 2012**

- 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 27/9/13 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 2012 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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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
- 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 **30 September 2013.**

## Havas Sports Limited

### Profit and loss account for the year ended 31 December 2012

	Notes	Continuing operations	
		2012	2011
		£	£
<b>Turnover</b>	2	4,886,562	6,182,935
Cost of sales		(2,902,497)	(3,667,066)
<b>Gross profit</b>		1,984,065	2,515,869
Administrative expenses		(1,788,967)	(1,932,708)
<b>Operating profit</b>	3	195,098	583,161
Other interest receivable and similar income	4	1,522	1,009
Interest payable and similar charges	5	(1,177)	(2,186)
<b>Profit on ordinary activities before taxation</b>		195,443	581,984
Tax on profit on ordinary activities	7	(54,219)	(166,223)
<b>Profit on ordinary activities after taxation</b>	15	141,224	415,761

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

The notes on pages 7 to 15 form an integral part of these financial statements.

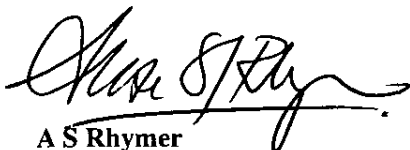


**Havas Sports Limited**

**Balance sheet  
as at 31 December 2012**

		2012		2011	
Notes	£	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		136		11,379
<b>Current assets</b>					
Stocks	11	21,643		-	
Debtors	12	1,200,028		2,177,107	
Cash at bank and in hand		471,823		200,742	
		<u>1,693,494</u>		<u>2,377,849</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(1,422,317)</u>		<u>(1,843,139)</u>	
<b>Net current assets</b>			<u>271,177</u>		<u>534,710</u>
<b>Total assets less current liabilities</b>			<u>271,313</u>		<u>546,089</u>
<b>Capital and reserves</b>					
Called up share capital	14		1,053		1,053
Profit and loss account	15		<u>270,260</u>		<u>545,036</u>
<b>Shareholders' funds</b>	16		<u>271,313</u>		<u>546,089</u>

The financial statements were approved by the Board on 27/9/13 and signed on its behalf by



**A S Rhymer**  
**Director**

**Registration number 04395472**

The notes on pages 7 to 15 form an integral part of these financial statements.

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2012**

**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 2012**

#### **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 the 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

## Havas Sports Limited

### Notes to the financial statements for the year ended 31 December 2012

#### 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

Operating profit is stated after charging/(crediting)

Depreciation and other amounts written off tangible assets

Auditors' remuneration

Net foreign exchange gain

2012	2011
£	£
11,243	27,554
14,071	17,250
843	13,112
<u>          </u>	<u>          </u>

#### 4. Interest receivable and similar income

Bank interest

2012	2011
£	£
1,522	1,009
<u>          </u>	<u>          </u>

#### 5. Interest payable and similar charges

On loans and overdrafts

2012	2011
£	£
1,177	2,186
<u>          </u>	<u>          </u>

#### 6. Employees

##### Number of employees

The average monthly numbers of employees (including the directors) during the year were

2012	2011
26	27
<u>          </u>	<u>          </u>

##### Employment costs

Wages and salaries

Social security costs

Pension costs-other operating charge

2012	2011
£	£
1,141,293	1,265,364
141,440	152,149
214	-
<u>          </u>	<u>          </u>
1,282,947	1,417,513
<u>          </u>	<u>          </u>

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2012**

<b>6.1. Directors' remuneration</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Remuneration and other emoluments	<u>203,151</u>	<u>201,200</u>
<b>Highest paid director</b>	<b>£</b>	<b>£</b>
Amounts included above		
Emoluments and other benefits	<u>203,151</u>	<u>201,200</u>
	<u>203,151</u>	<u>201,200</u>

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2012**

**7. Tax on profit on ordinary activities**

<b>(a) Analysis of charge in period</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax	57,243	173,973
Adjustments in respect of previous periods	(2,281)	(869)
Total current tax charge	<u>54,962</u>	<u>173,104</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	(743)	(5,598)
Prior period adjustments	-	(1,283)
Total deferred tax	<u>(743)</u>	<u>(6,881)</u>
Tax on profit on ordinary activities	<u>54,219</u>	<u>166,223</u>

**(b) Factors affecting tax charge for period**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (24.50 per cent). The differences are explained below

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<u>195,443</u>	<u>581,984</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.50% (31 December 2011: 26.50%)	47,884	154,226
<b>Effects of:</b>		
Expenses not deductible for tax purposes	6,605	12,445
Depreciation in excess of capital allowances for the period	2,754	7,302
Adjustments to tax charge in respect of previous periods	(2,281)	(869)
Current tax charge for period	<u>54,962</u>	<u>173,104</u>

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2012**

<b>(c) Deferred tax asset</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Capital allowances in excess of depreciation	23,772	23,029
	<u>23,772</u>	<u>23,029</u>
Deferred tax asset at 1 January 2012	23,029	
Deferred tax credit in profit and loss account	743	
Deferred tax asset at 31 December 2012	<u>23,772</u>	

**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 £214 (2011 - £nil).

The amount outstanding at the Balance Sheet date was £1,268 (2011 - £nil).

**9. Dividends**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Dividends on equity shares:</b>		
Equity dividends on ordinary shares	<u>416,000</u>	<u>550,000</u>

**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2012**

<b>10. Tangible fixed assets</b>	<b>Fixtures, fittings and equipment £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2012	55,975	63,082	119,057
At 31 December 2012	<u>55,975</u>	<u>63,082</u>	<u>119,057</u>
<b>Depreciation</b>			
At 1 January 2012	46,768	60,910	107,678
Charge for the year	9,144	2,099	11,243
At 31 December 2012	<u>55,912</u>	<u>63,009</u>	<u>118,921</u>
<b>Net book values</b>			
At 31 December 2012	<u>63</u>	<u>73</u>	<u>136</u>
At 31 December 2011	<u>9,207</u>	<u>2,172</u>	<u>11,379</u>
<b>11. Stocks</b>		<b>2012 £</b>	<b>2011 £</b>
Work in progress		<u>21,643</u>	<u>-</u>
<b>12. Debtors</b>		<b>2012 £</b>	<b>2011 £</b>
Trade debtors		513,899	1,172,789
Amounts owed by group undertakings		196,365	292,202
Other debtors		3,943	10,390
Prepayments and accrued income		448,555	678,697
Corporation tax receivable		13,494	-
Deferred tax (Note 7)		23,772	23,029
		<u>1,200,028</u>	<u>2,177,107</u>



**Havas Sports Limited**

**Notes to the financial statements  
for the year ended 31 December 2012**

<b>13. Creditors: amounts falling due within one year</b>	<b>2012</b> £	<b>2011</b> £
Trade creditors	198,037	657,486
Amounts owed to group undertaking	271,724	354,761
Corporation tax	-	42,971
Other taxes and social security costs	90,655	111,264
Other creditors	17,911	16,643
Accruals and deferred income	843,990	660,014
	<u>1,422,317</u>	<u>1,843,139</u>
<b>14. Share capital</b>	<b>2012</b> £	<b>2011</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>15. Equity Reserves</b>		<b>Profit and loss account</b> £
<b>At 1 January 2012</b>		545,036
Profit for the year		141,224
Dividends		(416,000)
<b>At 31 December 2012</b>		<u>270,260</u>
<b>16. Reconciliation of movements in shareholders' funds</b>	<b>2012</b> £	<b>2011</b> £
Profit for the year	141,224	415,761
Dividends	(416,000)	(550,000)
	<u>(274,776)</u>	<u>(134,239)</u>
Opening shareholders' funds	546,089	680,328
Closing shareholders' funds	<u>271,313</u>	<u>546,089</u>

## **Havas Sports Limited**

### **Notes to the financial statements for the year ended 31 December 2012**

#### **17. 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 foregoing guarantees.

#### **18. 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.