

Sports News Television Management Limited

Report and Financial Statements

31 December 2010

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COMPANIES HOUSE

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Directors

N Baker
K Dale
D Fay
M Masquelier
C Guinness
D Veerasingham

Secretary

J Loffhagen

Auditor

Ernst & Young LLP
1 More London Place
London SE1 2AF

Bankers

Skandinaviska Enskilda Banken
Scandinavian House
2 Cannon Street
London EC4M 6XX

Registered Office

McCormack House
Burlington Lane
Hogarth Business Park
London W4 2TH

Directors' report

The directors present their report and financial statements for the year ended 31 December 2010

Results and dividends

The profit for the year after taxation amounted to £392,186 (2009 – profit of £361,451) Dividends of £400,000 were paid during the year (2009 – £300,000)

Principal activity and review of the business

The company is principally engaged in the general management of Sports News Television (Limited Partnership) ('SNTV'), a partnership involved in the production and distribution of television sports news programmes

Future developments

The directors do not anticipate any significant change in the activities and results of the company in the foreseeable future

Principal risks and uncertainties

The company is exposed to the same principal risks and uncertainties as those described in the financial statements of SNTV (note 12)

The principal risks and uncertainties facing the partnership are

- Loss of clients – The partnership may lose contracts/and or clients due to their merger or acquisition, business failure, or contract expiration. Such a loss may have a material impact on the partnership's results
- Credit risk – Invoicing is agreed with the customer in advance and the partnership does not offer extended credit terms. In addition, trade debtor balances are monitored on an ongoing basis with the result that the partnership's exposure to bad debts is minimised
- Exchange rate fluctuations – The partnership currently operates globally and is, and will continue to be, exposed to foreign currency rate fluctuations. The company uses external advice on currency dealings with its bank. Where possible natural hedges are used

Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future. The financial statements have therefore been prepared on the going concern basis

Directors

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

N Baker

K Dale

D Fay

M Masquelier

C Guinness

T Brettingen (resigned 22 April 2010)

D Veerasingham (appointed 22 April 2010)

Directors' report

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

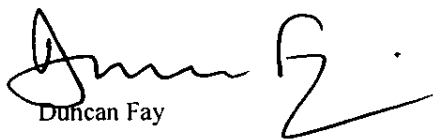
Auditor

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company.

Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

On behalf of the Board


Duncan Fay
Director

[Date] 29/11/11

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 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 period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 proper 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.

Independent auditor's report

to the members of Sport News Television Management Limited

We have audited the financial statements of Sports News Television Management Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective 2008) (United Kingdom 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 4, 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 Directors' 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 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom 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.

Independent auditor's report

to the members of Sport News Television Management 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 and take advantage of the small companies' exemption in preparing the directors' report



Neil Cullum (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
London

Date 1/12/2011

Profit and loss account

for the year ended 31 December 2010

	Notes	2010 £	2009 £
Share of partnership profit	2	531,007	510,113
Administrative expenses		(9,209)	(9,193)
Exchange loss on operating activities		(3,439)	(18,199)
Operating profit		518,359	482,721
Profit on ordinary activities before taxation		518,359	482,721
Tax	4	(126,173)	(121,270)
Profit for the financial year	9	392,186	361,451

All the above results relate to continuing operations

There is no difference between the reported profit for the year and the profit that would be reported under the historical cost convention

Statement of total recognised gains and losses

for the year ended 31 December 2010

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £392,186 in the year ended 31 December 2010 (2009 – profit of £361,451)

Balance sheet

at 31 December 2010

	Notes	2010 £	2009 £
Current assets			
Debtors	6	101,742	106,642
Cash at bank and in hand		53,355	58,980
		<u>155,097</u>	<u>165,622</u>
Creditors amounts falling due within one year	7	(112,679)	(115,390)
		<u>42,418</u>	<u>50,232</u>
Net assets			
 Capital and reserves			
Called up share capital	8	5,000	5,000
Profit and loss account	9	37,418	45,232
		<u>42,418</u>	<u>50,232</u>
Shareholders' funds	9		
		<u>42,418</u>	<u>50,232</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities



Duncan Fay
Director

Date

29/11/11

Notes to the financial statements

at 31 December 2010

1. Accounting policies

Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost accounting rules

These financial statements are prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies

Statement of cash flows

Under FRS 1, the company is exempt from the requirement to prepare a statement of cash flows on the grounds of its size

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

- 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

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. The only exception to this is the share of profits from SNTV (note 2). Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. The exchange rate as at 31 December 2010 was £1.00 – \$1.56 (2009 – £1.00 – \$1.62).

Any exchange differences are recorded in the profit and loss account

2. Share of partnership profit

This represents 5% of the profit of Sports News Television (Limited Partnership) for the year ended 31 December 2010 translated into sterling at the average rate for the year. The average rate for the year ended 31 December 2010 was £1.00 – \$1.546 (2009 – £1.00 – \$1.565).

3. Directors' remuneration, staff costs and auditors' remuneration

Operating profit is stated after charging

	2010	2009
	£	£
Auditor's remuneration – audit services	5,875	5,000

None of the directors received remuneration for their qualifying services to the company (2009 – £nil)

The company had no employees during the year (2009 – none)

Notes to the financial statements

at 31 December 2010

4. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2010 £	2009 £
<i>Current tax</i>		
UK corporation tax on the profits for the year	126,173	118,628
Double taxation relief	(20,200)	(10,237)
	<u>105,973</u>	<u>108,391</u>
Foreign tax	20,200	12,879
Adjustments in respect of prior periods	–	–
	<u>126,173</u>	<u>121,270</u>
Tax on profit on ordinary activities (note 4(b))	<u>126,173</u>	<u>121,270</u>

(b) Factors affecting the current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 28% (2009 – 28%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before taxation	518,359	482,721
	<u>518,359</u>	<u>482,721</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 – 28%)	145,141	135,162
<i>Effects of</i>		
Income not taxable for tax purposes	(1,684)	1,193
Unrelieved foreign tax	–	(34)
Marginal rate relief	(17,284)	(17,727)
Irrecoverable foreign tax	–	2,677
	<u>(18,968)</u>	<u>(16,968)</u>
Current tax for the year (note 4(a))	<u>126,173</u>	<u>121,270</u>

Notes to the financial statements

at 31 December 2010

5. Dividends

	2010 £	2009 £
Paid during the year at £80 (2009 – £60) per share	400,000	300,000

6. Debtors

	2010 £	2009 £
Amounts due from Sports News Television (Limited Partnership)	101,742	106,642

7. Creditors: amounts falling due within one year

	2010 £	2009 £
Accruals	7,000	7,000
Taxation	105,678	108,390
	112,678	115,390

8. Issued share capital

	No	2010 £	No	2009 £
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	5,000	5,000	5,000	5,000

9. Reconciliation of movements in shareholders' funds

	Share capital £	Profit and loss account £	Total share- holders' funds £
At 1 January 2010	5,000	45,232	50,232
Profit for the financial year	–	392,186	392,186
Dividends paid	–	(400,000)	(400,000)
At 31 December 2010	5,000	37,418	42,418

Notes to the financial statements

at 31 December 2010

10. Capital commitments

The company had no capital commitments at 31 December 2010 (2009 – £nil)

11. Contingent liabilities

There were no contingent liabilities at 31 December 2010 (2009 – £nil)

12. Sports News Television (Limited Partnership)

The company has a 5% investment in Sports News Television (Limited Partnership) a limited partnership with the same registered office at the company

A copy of the latest financial statements of the partnership is appended to the copy of the company's financial statements filed with the Registrar of Companies

13. Ultimate parent undertaking and controlling party

Sports News Television Management Limited is a 50/50 joint venture between Trans World International Inc (US) and The Associated Press Limited

Sports News Television (Limited Partnership)

Report and Financial Statements

31 December 2010

Sports News Television (Limited Partnership)

Partners

General Partner

Sports News Television Management Limited ("SNTV Management Limited")

Limited Partners

IMG Media Limited

The Associated Press

Auditor

Ernst & Young LLP

1 More London Place

London SE1 2AF

Bankers

Skandinaviska Enskilda Banken

Scandinavian House

2 Cannon Street

London EC4M 6XX

Registered Office

McCormack House

Burlington Lane

Hogarth Business Park

London W4 2TH

General Partner's report

The General Partner presents its report and financial statements for the year ended 31 December 2010. The financial statements are presented in US dollars (US\$).

Results and profit distributions

There was a profit for the year of US\$16,238,739 (2009 – profit of US\$16,153,058), which has been transferred to partners' capital accounts in accordance with the ratios set out in the partners' capital agreement below. The partnership distributed profits in the total amount of US\$15,984,600 during the year (2009 – profits of US\$15,903,102).

Principal activity and review of the business

The partnership operates as a television sports news agency for the supply of sports news to broadcasters and other persons, producing on average 50 feeds per week.

	2010 US\$	2009 US\$	Increase/ (decrease)	Increase/ (decrease) %
Turnover	26,229,362	25,167,770	1,061,592	4.2%
Operating profit	16,238,739	16,153,930	84,809	0.5%
Net profit	16,238,739	16,153,058	85,681	0.5%
Net assets	3,008,564	2,754,425	254,139	9.2%

The result and position of the partnership were in line with partners' expectations. The increase in profit compared to the previous year is due to a decreased cost base and revenue growth from contract renewals, which is partly due to the 2010 World Cup (and lack of large sporting events in 2009).

Future developments

The General Partner does not anticipate any significant change in the activities and results of the partnership in the foreseeable future.

Partners' capital agreement

The partners during the year together with their share of capital were as follows:

Sports News Television Management Limited (General Partner)	(5%)
IMG Media Limited (Limited Partner)	(47.5%)
The Associated Press, a New York corporation (Limited Partner)	(47.5%)

Risks and uncertainties

The principal risks and uncertainties facing the partnership are:

- **Loss of clients** – The partnership may lose contracts/and or clients due to their merger or acquisition, business failure, or contract expiration. Such a loss may have a material impact on the partnership's results.
- **Credit risk** – Invoicing is agreed with the customer in advance and the partnership does not offer extended credit terms. In addition, trade debtor balances are monitored on an ongoing basis with the result that the partnership's exposure to bad debts is minimised.
- **Exchange rate fluctuations** – The partnership currently operates globally and is, and will continue to be, exposed to foreign currency rate fluctuations. The partnership uses external advice on currency dealings with its bank. Where possible natural hedges are used.

General Partner's report

Events since the balance sheet date

The partnership declared and paid US\$4,640,000 in profit distributions after 31 December 2010

Going concern

The directors of the General Partner believe that the partnership has adequate financial resources to continue in operation for the foreseeable future. The financial statements have therefore been prepared on the going concern basis.

Disclosure of information to the auditor

So far as each person who was a director of the General Partner at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors of the General Partner and the partnership's auditor, each director of the General Partner has taken all the steps that he/she is obliged to take as a director of the General Partner in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to reappoint Ernst & Young LLP as auditor will be put to the partners at the Annual General Meeting of the General Partner.

By order of the General Partner



Duncan Fay
Director of the General Partner

Date

29/11/11

Statement of General Partner's responsibilities

Under the partnership agreement, the General Partner is responsible for preparing the General Partner's Report and the financial statements in accordance with applicable law and regulations

The partnership agreement requires the general partner to prepare financial statements for each financial year. Under that partnership agreement the General Partner has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by the partnership agreement to give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period.

In preparing the financial statements, the General Partner is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

The General Partner is responsible for keeping proper accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable it to ensure that the financial statements comply with the partnership agreement. The General Partner is also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

to the partners of Sports News Television (Limited Partnership)

We have audited the financial statements of Sports News Television (Limited Partnership) for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 13. 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 partnership, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the partnership 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 partnership, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the General Partner's Responsibilities Statement set out on page 4, the General partner is 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the General Partner's 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 qualifying partnership's affairs as at 31 December 2010 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 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008.

Independent auditor's report

to the partners of Sports News Television (Limited Partnership)

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 as applied to qualifying partnerships 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 members' remuneration specified by law are not made, or
- ▶ we have not received all the information and explanations we require for our audit

Ernst & Young LLP

Neil Cullum (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
London

Date *1/12/2011*

Profit and loss account

for the year ended 31 December 2010

	Notes	2010 US\$	2009 US\$
Turnover	2	26,229,362	25,167,770
Cost of sales		(6,332,999)	(5,749,995)
Gross profit		19,896,363	19,417,775
Administrative expenses		(3,657,624)	(3,263,845)
Operating profit	3,4	16,238,739	16,153,930
Interest receivable and similar income	5	-	(872)
Profit for the financial year	9	16,238,739	16,153,058

There is no difference between the reported profit for the year and the profit that would be reported under the historical cost convention

All activities relate to continuing operations

Statement of total recognised gains and losses

for the year ended 31 December 2010

There are no recognised gains or losses other than the profit attributable to the partners of the Limited Partnership of US\$16,238,739 in the year ended 31 December 2010 (2009 – profit of US\$16,153,058)

Sports News Television (Limited Partnership)

Balance sheet

at 31 December 2010

	Notes	2010 US\$	2009 US\$
Fixed assets			
Tangible assets	6	134,804	104,243
Current assets			
Debtors	7	4,649,754	5,593,423
Cash at bank and in hand		847,256	368,527
		5,497,010	5,961,950
Creditors amounts falling due within one year	8	(2,623,250)	(3,311,768)
Net current assets		2,873,760	2,650,182
Net assets		3,008,564	2,754,425
Partners' capital accounts			
SNTV Management Limited	9	191,944	211,237
The Associated Press	9	1,408,310	1,271,594
IMG Media Limited	9	1,408,310	1,271,594
Capital and reserves	9	3,008,564	2,754,425



Duncan Fay
Director of the General Partner

Date 29 / 11 / 11

Notes to the financial statements

at 31 December 2010

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with accounting standards applicable in the United Kingdom. The Partnership's functional and presentational currency is the US dollar.

Going Concern

The directors of the General Partner believe that the partnership has adequate financial resources to continue in operation for the foreseeable future. The financial statements have therefore been prepared on the going concern basis.

Statement of cash flows

Under FRS 1, the partnership is exempt from the requirement to prepare a statement of cash flows on the grounds of its size.

Turnover

Revenue is recognised to the extent that the partnership obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue is recognised on a monthly basis as services are provided.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Tangible fixed assets

Tangible fixed assets are recorded at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows:

Fixtures and fittings	–	33.3%
Production equipment	–	33.3%
Computer equipment	–	33.3%
Hosting hardware	–	50%

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Production costs

Production costs are charged to the profit and loss account as incurred.

Taxation

Under current UK tax legislation, the profits of the Limited Partnership are taxable on the individual partners. No tax charge is made in the profit and loss account of the Limited Partnership.

Notes to the financial statements

at 31 December 2010

1. Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are re-translated at the rates of exchange ruling at the balance sheet date, and differences are taken to the profit and loss account. The exchange rate as at 31 December 2010 was £1.00 - \$1.56 (2009 - £1.00 - \$1.62).

Post retirement benefits

The partnership operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the partnership in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period (note 11).

2. Turnover

Turnover is derived from the partnership's principal activity as defined in the General Partner's report, and is stated net of VAT.

	2010 US\$	2009 US\$
Geographical market by destination		
United Kingdom	1,131,065	1,042,291
Europe	8,821,818	8,442,933
Middle East	5,794,481	5,698,427
Rest of the world	10,481,998	9,984,119
	<u>26,229,362</u>	<u>25,167,770</u>

3. Operating profit

This is stated after charging/(crediting)

	2010 US\$	2009 US\$
Depreciation	45,432	27,295
Auditor's remuneration – audit services	26,520	28,416
Contributions to defined contribution scheme	117,299	82,662
Foreign exchange (gain)/loss	(82,414)	82,838
	<u>106,837</u>	<u>199,211</u>

4. Staff costs

The average number of persons employed by the partnership during the year was 28 (2009 – 28). The aggregate payroll cost of these employees was as follows:

	2010 US\$	2009 US\$
Wages and salaries (including bonuses)	1,985,778	1,938,612
Social security costs	288,545	261,820
Other pension costs	117,299	82,662
	<u>2,391,622</u>	<u>2,283,094</u>

Notes to the financial statements

at 31 December 2010

5. Interest receivable and similar income

	2010	2009
	US\$	US\$
Bank interest	-	(872)

6. Tangible fixed assets

	<i>Production equipment</i>	<i>Hosting hardware</i>	<i>Computer equipment</i>	<i>Fixture and fittings</i>	<i>Total</i>
	US\$	US\$	US\$	US\$	US\$
Cost					
At 1 January 2010	255,665	74,637	26,642	58,945	415,889
Additions	-	-	14,702	61,291	75,993
At 31 December 2010	255,665	74,637	41,344	120,236	491,882
Depreciation					
At 1 January 2010	157,349	74,637	20,715	58,945	311,646
Charge for the year	-	-	14,741	30,691	45,432
At 31 December 2010	157,349	74,637	35,456	89,636	357,078
Net book value					
At 31 December 2010	98,316	-	5,888	30,600	134,804
At 1 January 2010	98,316	-	5,927	-	104,243

7. Debtors: amounts due within one year

	2010	2009
	US\$	US\$
Trade debtors	3,236,623	3,530,554
Amounts due from related parties	9,661	11,528
Prepayments	599,652	436,407
Accrued revenue	192,877	1,004,533
VAT receivable	13,238	58,755
Other debtors	597,703	551,646
	4,649,754	5,593,423

8. Creditors: amounts due within one year

	2010	2009
	US\$	US\$
Trade creditors	(1,112)	299,391
Other taxes and social security	55,440	89,210
Accruals and deferred income	2,568,922	2,923,167
	2,623,250	3,311,768

Notes to the financial statements

at 31 December 2010

9 Reconciliation of partners' capital accounts

	<i>Sports News Television Management Limited US\$</i>	<i>The Associated Press US\$</i>	<i>IMG Media Limited US\$</i>	<i>Total US\$</i>
At 1 January 2010	211,237	1,271,594	1,271,594	2,754,425
Profit for the financial year	811,937	7,713,401	7,713,401	16,238,739
Partners' drawings	(831,230)	(7,576,685)	(7,576,685)	(15,984,600)
At 31 December 2010	191,944	1,408,310	1,408,310	3,008,564

10 Events since the balance sheet date

The partnership declared and paid US\$12,180,000 in profit distributions after 31 December 2010

11. Pension commitments

The partnership operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the partnership to the scheme and amounted to US\$117,299 (2009 – US\$82,662)

There were no outstanding or prepaid contributions at either the beginning or end of the financial year

12 Other financial commitments

The partnership had no capital commitments or contingent liabilities at 31 December 2010 (2009 – US\$nil)

13. Ultimate parent undertaking and controlling party

Sports News Television (Limited Partnership) is a limited partnership. The partners, and their respective interests in the profits and losses of the partnership are set out in the General Partner's report on page 2

Details of the partners' capital accounts are set out in note 9. Balances due from and to related parties are given in note 7 and note 8, respectively

During the year the partnership purchased services from two of its partners, The Associated Press and IMG Media Limited, and other related parties at arm's length to the value of US\$2,206,481 (2009 – US\$2,159,762). At 31 December 2010, the outstanding balance payable to its partners was US\$nil (2009 – US\$nil). During the year the partnership sold subscriptions and ad-hoc revenue totalling US\$407,046 (2009 – US\$450,089) to its partners and other related parties. At 31 December 2010, the outstanding balance receivable from its partners and other related parties was US\$9,661 (2009 – US\$11,528)