

Company registration number 03599986 (England and Wales)

**SPORTFIVE UK LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**



## **SPORTFIVE UK LTD**

### **COMPANY INFORMATION**

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<b>Directors</b>	T Birt C Woodman
<b>Secretary</b>	T Birt
<b>Company number</b>	03599986
<b>Registered office</b>	2nd Floor 40 Water Lane Wilmslow Cheshire SK9 5AP
<b>Auditor</b>	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

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# **SPORTFIVE UK LTD**

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## **SPORTFIVE UK LTD**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The directors present the strategic report for the year ended 31 December 2022.

#### **Principal activity and review of the business**

The principal activity of the company is the purchasing and sale of domestic and international sports rights as well as brokering sponsorship deals within the sports sector. The company also provides creative, marketing and advisory services.

The directors are optimistic about the future prospects of the company. The company has continued to perform in line with the expectations of the group.

Both financial key performance indicators (turnover, profitability and working capital) and non-financial key performance indicators are used to manage overall business performance against targets for the year. During the year, as compared to the prior year, the company's turnover increased by £2.7m to £53.5m. Pre-tax profitability increased by £0.9m to £8.1m which represents a pre-tax profit margin of 15%. Working capital has increased in the year, although cash has decreased from £4.8m in 2021 to nil in 2022 due to a cash pooling agreement, the overall net current asset position has increased by £3.3m to £26.9m. The balance sheet remains strong, with the overall net assets position at the year-end of £28.6m reflecting the overall robustness of the company's financial position.

The assessment of risk and uncertainty and the allocation of resource to manage the impact of this on the strategic and operational performance of the company forms a key part of management activity.

The goal for the future is to continue to grow where the market opportunities exist.

#### **Principal risks and uncertainties**

##### **Financial Instrument risks**

The company uses financial instruments including cash, trade debtors and trade creditors that arise directly from its operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

##### **Liquidity risk**

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash safely and profitability.

##### **Credit risk**

The company's principal financial assets are cash deposits, cash and trade debtors. The credit risk associated with cash is limited. The principal credit risk arises, therefore, from its trade debtors. Management closely monitors the credit risk associated with each of its customers in order to minimise any risk of non-payment from any of the trade debtors.

##### **Interest rate risk**

The company does not have any third party borrowing, therefore, is not exposed to any interest rate risk.

##### **Foreign exchange risk**

Where the company is exposed to changes in foreign exchange rates, for example through trade debtors in foreign currency, the company is able to mitigate this risk through available hedging facilities provided by the group. While this facility is available, the company's primary aim is to invoice in the functional currency (GBP) so as to avoid any exposure to this risk. The majority of sales are completed in the functional currency.

## **SPORTFIVE UK LTD**

### **STRATEGIC REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **Section 172 statement**

The directors are required to make a statement which describes how they have behaved with regard to the matters set out in Section 172(1) of the Companies Act 2006, namely:

##### **Duty to promote the success of the company**

- (a) the likely consequences of any decision in the long-term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers, and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standard of business conduct;
- (f) the need to act fairly between members of the company.

##### **Section 172 Statement**

The directors insist on high operating standards and fiscal discipline and routinely engage with management and employees of the company to understand any underlying issues within the organisation. Additionally, the directors look outside the organisation at macro factors affecting the business. The directors consider all known facts when developing strategic decisions and long-term plans, taking into account their likely consequences for the company.

The directors and management are committed to the interests and well-being of the company's employees. Open dialogue, competitive benefit packages and a commitment to supporting the wider, non-financial needs of employees helps to ensure employees are motivated to work with management to improve all aspects of the company's performance.

Other stakeholders include customers, suppliers, rights holders and shareholders. The directors and management look to build long lasting, mutually beneficial and collaborative relationships with all key stakeholders. The directors consider that they act in a way they consider is most likely to promote the success of the company as a whole for the short, medium and long term.

The directors are committed to positive involvement in the local community by supporting local charities and Trusts.

Integrity, honesty and dedicated professionalism are key principles and beliefs for the directors and employees. The company believes that any partnership must benefit both parties. We strive to provide our stakeholders with timely and informative responses and are always striving to meet or exceed customers' needs.

The Board recognises its responsibilities under section 172 as outlined above and has acted at all times in a way consistent with promoting the success of the company with regard to all stakeholders.

**SPORTFIVE UK LTD**

**STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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On behalf of the board



T Birt  
**Director**

11 May 2023

# **SPORTFIVE UK LTD**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The directors present their annual report and financial statements for the year ended 31 December 2022.

#### **Principal activities**

The principal activity of the company is the purchasing and sale of domestic and international sports rights as well as brokering sponsorship deals within the sports sector. The company also provides creative, marketing and advisory services.

#### **Results and dividends**

The results for the year are set out on page 13.

Ordinary dividends were paid amounting to £2,918,701. The directors recommend payment of a final dividend amounting to £3,255,099.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

T Birt

C Woodman

#### **Post reporting date events**

On 1 January 2023 Sportfive UK Ltd acquired the trade and substantially all of the assets and liabilities of Sportfive Global Media Ltd. The directors expect this to have a positive impact on the future of the company.

#### **Auditor**

UHY Hacker Young were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006.

#### **Energy and carbon report**

In accordance with companies regulations, the company's report on its emissions, energy consumption and energy efficiency activities is as follows:

**SPORTFIVE UK LTD****DIRECTORS' REPORT (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

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<i>Energy consumption</i>	<b>kWh</b>	<b>kWh</b>
Aggregate of energy consumption in the year		
- Gas combustion	107,809	
- Fuel consumed for transport	144,419	
- Electricity purchased	203,404	
	<hr/>	455,632
		<hr/>
<i>Emissions of CO2 equivalent</i>	<b>Metric tonnes</b>	<b>Metric tonnes</b>
Scope 1 - direct emissions		
- Gas combustion	19.68	
- Fuel consumed for owned transport	43.05	
	<hr/>	62.73
Scope 2 - indirect emissions		
- Electricity purchased		27.93
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the company		6.14
		<hr/>
Total gross emissions		96.80
		<hr/>
Intensity ratios		
Annual MWh per £m sales revenue		8.52
Annual tCO2e per £m sales revenue		1.81
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## **SPORTFIVE UK LTD**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### *Quantification and reporting methodology*

###### **Conversion Factors**

All conversion factors and fuel properties used in this report have been taken from the 2021 "UK Government Greenhouse Gas Conversion Factors for Company Reporting" published by the Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Environment, Food & Rural Affairs (DEFRA). Average fuel prices have been taken from "Retail Prices of Petroleum Products and Crude Oil Price Index" published by BEIS. All greenhouse gas emissions have been converted and expressed in terms of their carbon dioxide equivalence.

###### **Utilities**

Where possible, energy consumption expressed in kilowatt-hours has been taken from suppliers' invoices. The Durham office has energy provided by the landlord and invoices do not include the kWh consumption. The energy consumption for this site has been estimated from the cost using the average invoiced unit rate of the other sites. At our London office the energy consumption is included in our service charges therefore we have estimated the electricity and natural gas consumption using the floor area and the "General Office" benchmarks published in "TM46: Energy Benchmarks" by CIBSE. Location based kgCO<sub>2</sub>e/kWh conversion factors for the average UK grid supply have been used to calculate greenhouse gas emissions from electricity and natural gas consumption.

###### **Transport**

The cost of fuel purchases for company owned vehicles has been taken from expense records and the average fuel price for each month has been used to estimate the quantity of fuel in litres. The kgCO<sub>2</sub>e/litre and kgCO<sub>2</sub>e/kWh conversion factors for average forecourt blends have been used to calculate greenhouse gas emissions and underlying energy use. Some staff drive their personal vehicles and are reimbursed through mileage claims. The kWh/mile and kgCO<sub>2</sub>e/mile conversion factors from the category "Cars (by size): Average Car & Unknown Fuel" have been used to calculate greenhouse gas emissions and underlying energy use.

###### **Other Fuels & Emissions**

No other fuels are used and no fugitive emissions were recorded.

##### *Intensity measurement*

The chosen intensity measurement ratios are annual emissions in metric tonnes CO<sub>2</sub>e per £m sales revenue and annual emissions in MWh per £m sales revenue.

##### *Measures taken to improve energy efficiency*

As tenants in our sites we do not have operational control to make changes to building fabrics and therefore have limited scope to implement energy saving measures. Compared to the previous financial period our total energy consumption has increased by 23% and our total greenhouse gas emissions have increased by 18%. Our turnover has also increased, although not to the same degree, therefore our energy and emissions intensities per million pounds of turnover have increased by 17% and 12% respectively. This increase in energy and emissions is partly due to an increase in transport and partly due to an apparent rise in natural gas usage, however the natural gas usage is estimated due to landlords being unable to provide sub-metered data and may not be reflective of our actual consumption.

## **SPORTFIVE UK LTD**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **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 accounting 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;
- 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.

##### **Strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial risk management objectives and policies.

##### **Statement of disclosure to 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 of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

##### **Going concern**

The company's business activities are profitable and cash generative. The company has a number of multiyear contracts with a number of businesses in a variety of geographical locations. Moreover, the company has the financial support of the group via central treasury function. These factors provide the directors with an expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

**SPORTFIVE UK LTD**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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On behalf of the board



T Birt  
**Director**

11 May 2023

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF SPORTFIVE UK LTD**

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**Opinion**

We have audited the financial statements of Sportfive UK Ltd (the 'company') for the year ended 31 December 2022 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF SPORTFIVE UK LTD**

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**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF SPORTFIVE UK LTD**

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with the legal team and enquiries of management in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud, and determined the principal risk related to revenue recognition.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

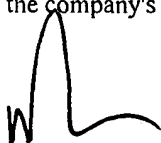
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF SPORTFIVE UK LTD**

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**Use of our report**

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.



**Marc Waterman (Senior Statutory Auditor)**  
**For and on behalf of UHY Hacker Young**

11 May 2023

**Chartered Accountants**  
**Statutory Auditor**

**SPORTFIVE UK LTD****INCOME STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2022**

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		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Revenue</b>	<b>3</b>	53,491,307	50,791,523
Cost of sales		(27,970,742)	(27,799,420)
<b>Gross profit</b>		<u>25,520,565</u>	<u>22,992,103</u>
Administrative expenses	<b>4</b>	(18,305,915)	(15,731,613)
<b>Operating profit</b>	<b>6</b>	<u>7,214,650</u>	<u>7,260,490</u>
Investment income	<b>8</b>	1,184,011	54,425
Finance costs	<b>10</b>	(279,886)	(110,998)
<b>Profit before taxation</b>		<u>8,118,775</u>	<u>7,203,917</u>
Tax on profit	<b>11</b>	(1,608,577)	(1,366,515)
<b>Profit for the financial year</b>		<u><u>6,510,198</u></u>	<u><u>5,837,402</u></u>

The income statement has been prepared on the basis that all operations are continuing operations.

**SPORTFIVE UK LTD**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	6,510,198	5,837,402
<b>Other comprehensive income</b>	-	-
	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	<u>6,510,198</u>	<u>5,837,402</u>

## SPORTFIVE UK LTD

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Non-current assets</b>					
Intangible assets	13		142,804		166,000
Property, plant and equipment	14		1,521,098		1,203,480
			<u>1,663,902</u>		<u>1,369,480</u>
<b>Current assets</b>					
Trade and other receivables falling due after more than one year	17	-		116,469	
Trade and other receivables falling due within one year	17	46,334,876		40,088,667	
Cash and cash equivalents		-		4,832,028	
			<u>46,334,876</u>	<u>45,037,164</u>	
<b>Current liabilities</b>	18	(19,390,271)		(21,425,521)	
<b>Net current assets</b>			<u>26,944,605</u>		<u>23,611,643</u>
<b>Total assets less current liabilities</b>			28,608,507		24,981,123
<b>Provisions for liabilities</b>					
Deferred tax liability	19	35,887		-	
			<u>(35,887)</u>		<u>-</u>
<b>Net assets</b>			<u>28,572,620</u>		<u>24,981,123</u>
<b>Equity</b>					
Called up share capital	21		4		4
Retained earnings			28,572,616		24,981,119
<b>Total equity</b>			<u>28,572,620</u>		<u>24,981,123</u>

The financial statements were approved by the board of directors and authorised for issue on 11 May 2023 and are signed on its behalf by:



T Birt  
Director

Company Registration No. 03599986

**SPORTFIVE UK LTD**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Share capital £	Retained earnings £	Total £
<b>Balance at 1 January 2021</b>		4	20,815,856	20,815,860
<b>Year ended 31 December 2021:</b>				
Profit and total comprehensive income for the year		-	5,837,402	5,837,402
Dividends	12	-	(1,672,139)	(1,672,139)
<b>Balance at 31 December 2021</b>		4	24,981,119	24,981,123
<b>Year ended 31 December 2022:</b>				
Profit and total comprehensive income for the year		-	6,510,198	6,510,198
Dividends	12	-	(2,918,701)	(2,918,701)
<b>Balance at 31 December 2022</b>		4	28,572,616	28,572,620

# **SPORTFIVE UK LTD**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Company information**

Sportfive UK Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 2nd Floor, 40 Water Lane, Wilmslow, Cheshire, SK9 5AP.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Sportfive TopCo GmbH. The group accounts of Sportfive TopCo GmbH are available to the public and can be obtained as set out in note 25.

## **SPORTFIVE UK LTD**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **1 Accounting policies**

**(Continued)**

##### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company's business activities are profitable and cash generative. The company has a number of multiyear contracts with a number of businesses in a variety of geographical locations. Moreover, the company has the financial support of the group via central treasury function. These factors provide the directors with an expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

##### **1.3 Revenue**

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services, including those relating to sports rights, is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete plus any attributable profits (less amounts recognised in previous years) can be estimated reliably.

Profit on long term contracts is recognised when the outcome of the contract can be foreseen with reasonable certainty and a provision is made for any losses as soon as they are foreseen. The revenue recognised for contracts is estimated using such information as, the agreed contract price and the probability of significant reversal in future periods.

Revenue is accrued when it is recognised but not yet invoiced and deferred when invoiced but not yet recognised.

Some of the revenue received from other members of the company's parent group is principally in respect of recharged administration expenses. Consequently such income is re-allocated against the related administration expenses. In the year ended 31 December 2022 such recharged expenditure amounted to £3,119,269 (2021: £1,762,119).

## SPORTFIVE UK LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

##### 1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	Over 3 years
Other intangibles - Sport rights	Over the length of the contract
Other intangibles - Web portal	Over 3 years

##### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	3 to 5 years
Technical equipment	3 to 6 years
Motor vehicles	3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

## **SPORTFIVE UK LTD**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **1 Accounting policies**

**(Continued)**

##### **1.7 Impairment of non-current assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### **1.8 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **1.9 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## SPORTFIVE UK LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### *Basic financial assets*

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### *Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### *Basic financial liabilities*

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## SPORTFIVE UK LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

##### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### 1.11 Derivatives

The company enters into foreign exchange forward contracts in order to manage its exposure to foreign exchange risk.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

##### 1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

## **SPORTFIVE UK LTD**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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## **1 Accounting policies**

**(Continued)**

### **1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### **1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### **1.15 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

### **1.16 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

## **2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### ***Impairment of goodwill***

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the reporting end date was £nil.

**SPORTFIVE UK LTD**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**3 Revenue**

	2022	2021
	£	£
<b>Revenue analysed by class of business</b>		
Sale of sports rights	30,776,525	31,166,881
Commission and other income	22,714,782	19,624,642
	<u>53,491,307</u>	<u>50,791,523</u>

	2022	2021
	£	£
<b>Revenue analysed by geographical market</b>		
United Kingdom	33,549,206	31,730,580
EU	1,839,270	2,450,354
Outside of the EU	18,102,831	16,610,589
	<u>53,491,307</u>	<u>50,791,523</u>

	2022	2021
	£	£
<b>Other revenue</b>		
Interest income	1,184,011	54,425
	<u>1,184,011</u>	<u>54,425</u>

**4 Administrative Expenses**

	2022	2021
	£	£
Administrative expenses	21,425,184	17,493,732
Recharges to group companies	(3,119,269)	(1,762,119)
	<u>18,305,915</u>	<u>15,731,613</u>

**5 Auditor's remuneration**

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	35,000	31,500
	<u>35,000</u>	<u>31,500</u>

**SPORTFIVE UK LTD****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****6 Operating profit**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging:		
Depreciation of owned property, plant and equipment	535,656	572,296
Amortisation of intangible assets	47,196	54,881
Operating lease charges	912,728	705,210

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £276,124 (2021: £138,501).

**7 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Directors	2	2
Administration staff	100	96
Production staff	12	12
Sales staff	24	23
Total	138	133

Their aggregate remuneration comprised:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	13,389,695	11,251,372
Social security costs	1,555,592	1,254,717
Pension costs	464,825	457,775
	15,410,112	12,963,864

**8 Investment income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interest income		
Interest receivable from group companies	1,184,011	54,425

**SPORTFIVE UK LTD****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****9 Directors' remuneration**

	2022	2021
	£	£
Remuneration for qualifying services	902,637	786,254
Company pension contributions to defined contribution schemes	47,768	46,637
	<u>950,405</u>	<u>832,891</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022	2021
	£	£
Remuneration for qualifying services	638,950	524,327
Company pension contributions to defined contribution schemes	30,000	29,400
	<u>668,950</u>	<u>553,727</u>

**10 Finance costs**

	2022	2021
	£	£
Interest payable to group undertakings	3,762	26,798
Exchange loss/(gain) on financing transactions	276,124	84,200
	<u>279,886</u>	<u>110,998</u>

**11 Taxation**

	2022	2021
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	1,478,007	1,274,061
Adjustments in respect of prior periods	(21,786)	4,630
Total current tax	<u>1,456,221</u>	<u>1,278,691</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>152,356</u>	<u>87,824</u>
Total tax charge	<u>1,608,577</u>	<u>1,366,515</u>

**SPORTFIVE UK LTD****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****11 Taxation****(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	8,118,775	7,203,917
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	1,542,567	1,368,744
Tax effect of expenses that are not deductible in determining taxable profit	19,680	36,587
Tax effect of income not taxable in determining taxable profit	(51,373)	(21,746)
Adjustments in respect of prior years	(24,111)	10,882
Other difference	84,690	-
Tax rate changes	37,124	(27,952)
Taxation charge for the year	1,608,577	1,366,515

**12 Dividends**

	2022 £	2021 £
Final paid	2,918,701	1,672,139

The proposed final dividend for the year ended:

	2022 Per share £	2022 Total £	2021 Total £
Ordinary shares	813,775.38	3,255,099	2,952,583

The proposed final dividend is subject to approval by shareholders and has not been included as a liability in these financial statements.

**SPORTFIVE UK LTD**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**13 Intangible fixed assets**

	Goodwill	Software	Other intangibles	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2022	2,587,473	142,000	674,394	3,403,867
Additions - internally developed	-	24,000	-	24,000
Disposals	-	-	(474,394)	(474,394)
	<u>2,587,473</u>	<u>166,000</u>	<u>200,000</u>	<u>2,953,473</u>
At 31 December 2022	2,587,473	166,000	200,000	2,953,473
<b>Amortisation and impairment</b>				
At 1 January 2022	2,587,473	-	650,394	3,237,867
Amortisation charged for the year	-	23,196	24,000	47,196
Disposals	-	-	(474,394)	(474,394)
	<u>2,587,473</u>	<u>23,196</u>	<u>200,000</u>	<u>2,810,669</u>
At 31 December 2022	2,587,473	23,196	200,000	2,810,669
<b>Carrying amount</b>				
At 31 December 2022	-	142,804	-	142,804
	<u>-</u>	<u>142,804</u>	<u>-</u>	<u>142,804</u>
At 31 December 2021	-	142,000	24,000	166,000
	<u>-</u>	<u>142,000</u>	<u>24,000</u>	<u>166,000</u>

**SPORTFIVE UK LTD**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**14 Property, plant and equipment**

	Office equipment £	Technical equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2022	651,606	5,568,301	122,448	6,342,355
Additions	(5,464)	858,738	-	853,274
Disposals	(165,210)	-	-	(165,210)
At 31 December 2022	480,932	6,427,039	122,448	7,030,419
<b>Depreciation and impairment</b>				
At 1 January 2022	451,033	4,589,861	97,981	5,138,875
Depreciation charged in the year	68,250	442,939	24,467	535,656
Eliminated in respect of disposals	(165,210)	-	-	(165,210)
At 31 December 2022	354,073	5,032,800	122,448	5,509,321
<b>Carrying amount</b>				
At 31 December 2022	126,859	1,394,239	-	1,521,098
At 31 December 2021	200,573	978,440	24,467	1,203,480

**15 Associates**

Details of the company's associates at 31 December 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
CGF Partnerships Ltd	England and Wales	Ordinary	40.00

**16 Financial instruments**

	2022 £	2021 £
<b>Carrying amount of financial assets</b>		
Measured at fair value through profit or loss		
- Forward foreign currency contracts	-	4,431
<b>Carrying amount of financial liabilities</b>		
Measured at fair value through profit or loss		
- Forward foreign currency contracts	343,887	72,195

# SPORTFIVE UK LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 16 Financial instruments

(Continued)

The objective of Sportfive UK Limited when hedging foreign exchange risk is to protect the company's results against fluctuations in foreign exchange rates, through FX Forwards and FX Swaps: this strategy consists of "locking" the current rate for a specified amount. The company is protected against unfavourable fluctuations in exchange rates, but will not benefit from favourable fluctuations. FX contracts are designated as fair value through profit and loss..

#### 17 Trade and other receivables

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade receivables	6,615,170	10,313,322
Corporation tax recoverable	54,750	-
Amounts owed by group undertakings	35,768,341	25,468,188
Derivative financial instruments	-	4,431
Other receivables	-	3,039
Prepayments and accrued income	3,896,615	4,299,687
	<u>46,334,876</u>	<u>40,088,667</u>
	2022	2021
	£	£
<b>Amounts falling due after more than one year:</b>		
Deferred tax asset (note 19)	-	116,469
	<u>-</u>	<u>116,469</u>
<b>Total debtors</b>	<u>46,334,876</u>	<u>40,205,136</u>

#### 18 Current liabilities

	2022	2021
	£	£
Trade payables	1,762,556	1,726,337
Amounts owed to group undertakings	685,493	1,815,715
Corporation tax	-	401,153
Other taxation and social security	1,813,303	888,767
Derivative financial instruments	343,887	72,195
Accruals and deferred income	14,785,032	16,521,354
	<u>19,390,271</u>	<u>21,425,521</u>

# SPORTFIVE UK LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
<b>Balances:</b>				
Accelerated capital allowances	50,477	-	-	108,255
Short term timing differences	(14,590)	-	-	8,214
	<u>35,887</u>	<u>-</u>	<u>-</u>	<u>116,469</u>
<b>Movements in the year:</b>				<b>2022 £</b>
Asset at 1 January 2022				(116,469)
Charge to profit or loss				152,356
Liability at 31 December 2022				<u>35,887</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

### 20 Retirement benefit schemes

	2022 £	2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>464,825</u>	<u>457,775</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 21 Share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>

## SPORTFIVE UK LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 22 Operating lease commitments

##### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	632,685	632,685
Between two and five years	667,541	1,077,579
	<u>1,300,226</u>	<u>1,710,264</u>

#### 23 Events after the reporting date

The financial impact of this on the company is limited. On 1 January 2023 Sportfive UK Ltd acquired the trade and substantially all of the assets and liabilities of Sportfive Global Media Ltd. The directors expect this to have a positive impact on the future of the company.

#### 24 Related party transactions

CGF Partnerships Ltd is a 40% owned associate of the company. As at 31 December 2022, CGF Partnerships Ltd owes £17,474 (2021: £nil) to the company. During the year, the company made sales of £3,375,899 (2021: £3,383,489) to CGF Partnerships Ltd.

#### 25 Ultimate controlling party

The company's immediate parent company is Sportfive Germany GmbH, which is incorporated in Germany.

The company's intermediate parent company is Sportfive TopCo GmbH, which is incorporated Germany. This is the largest and smallest member of the group preparing consolidated financial statements which can be obtained online from Bundesanzeiger in Germany at [www.bundesanzeiger.de](http://www.bundesanzeiger.de).

The company's ultimate controlling party is Tempus Holdings 70 S.à.r.l., Luxemburg, which is incorporated in Luxemburg.