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**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2010**

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## THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED

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### COMPANY INFORMATION

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<b>DIRECTORS</b>	J Anderson P Grothe P Huber
<b>COMPANY SECRETARY</b>	C Radeke
<b>COMPANY NUMBER</b>	04155991
<b>REGISTERED OFFICE</b>	Eighth Floor 6 New Street Square London EC4A 3AQ
<b>AUDITORS</b>	Rawlinson and Hunter Chartered Accountants & Statutory Auditors Eighth Floor 6 New Street Square New Fetter Lane London EC4A 3AQ
<b>BANKERS</b>	Barclays Bank Plc 1250 High Road Whetstone London N20 0PB
<b>SOLICITORS</b>	Howard Kennedy 19 Cavendish Square London W1A 2AW

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**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

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## THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

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

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

#### PRINCIPAL ACTIVITY

The company is a holding company which provides management services to its subsidiaries.

#### BUSINESS REVIEW

The results for the year are set out on page 5. The directors consider the results for the year and current state of affairs of the company to be in line with expectations.

#### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,167 (2009 - £438).

The directors do not recommend the payment of a dividend (2009 - £Nil).

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**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**DIRECTORS**

The directors who served during the year were

J Anderson  
P Grothe  
P Huber

**PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

**SMALL COMPANY PROVISIONS**

This Directors' Report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006

**AUDITORS**

Rawlinson & Hunter were appointed as auditors during the year and, in accordance with section 487(2) of the Companies Act 2006, will be deemed to have been reappointed as auditors 28 days after these financial statements are sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board on *10 March 2011* and signed on its behalf

  
J Anderson  
Director

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## **THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

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We have audited the financial statements of The Sport Entertainment & Media Group Limited ("the company") for the year ended 31 December 2010, which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As explained more fully in the Statement of Directors' Responsibilities, 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.

#### **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, 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.

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THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE SPORT ENTERTAINMENT &  
MEDIA GROUP LIMITED

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the Directors' Report in accordance with the small companies regime.



Christopher Bliss (Senior statutory auditor)

for and on behalf of  
**Rawlinson and Hunter**

Chartered Accountants  
Statutory Auditors

Eighth Floor  
6 New Street Square  
New Fetter Lane  
London  
EC4A 3AQ

Date

10 March 2011.

**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	2010 £	2009 £
<b>TURNOVER</b>	1,2	<b>100,000</b>	<b>150,000</b>
Administrative expenses		<b>(91,316)</b>	<b>(124,103)</b>
<b>OPERATING PROFIT</b>	3	<b>8,684</b>	<b>25,897</b>
Loss on disposal of investments		<b>(7,621)</b>	-
Interest receivable and similar income		<b>60</b>	-
Provision against investment in subsidiary undertaking		-	<b>(20,109)</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,123</b>	<b>5,788</b>
Tax credit/(charge) on profit on ordinary activities	5	<b>44</b>	<b>(5,350)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	11	<b>1,167</b>	<b>438</b>

All amounts relate to continuing operations

There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and Loss Account

The notes on pages 8 to 16 form part of these financial statements



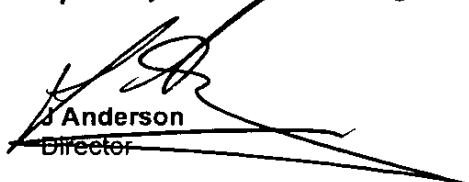
**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**  
**REGISTERED NUMBER: 04155991**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2010**

	Note	£	2010 £	£	2009 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	6		38,839		15,514
Investments	7		50,098		321,451
			<u>88,937</u>		<u>336,965</u>
<b>CURRENT ASSETS</b>					
Debtors	8	688,674		468,319	
Cash at bank		6,143		4,156	
		<u>694,817</u>		<u>472,475</u>	
<b>CREDITORS:</b> amounts falling due within one year	9	(18,720)		(45,573)	
<b>NET CURRENT ASSETS</b>			<u>676,097</u>		<u>426,902</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>765,034</u>		<u>763,867</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		3,410,087		3,410,087
Profit and loss account	11		(2,645,053)		(2,646,220)
<b>SHAREHOLDERS' FUNDS - ALL EQUITY</b>	12		<u>765,034</u>		<u>763,867</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

*10 March 2011.*

  
**J. Anderson**  
 Director

The notes on pages 8 to 16 form part of these financial statements

**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	2010 £	2009 £
Net cash flow from operating activities	13	1,190	419
Returns on investments and servicing of finance	14	60	-
Taxation		-	(16,189)
<b>INCREASE/(DECREASE) IN CASH IN THE YEAR</b>		<b>1,250</b>	<b>(15,770)</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 £	2009 £
Increase/(decrease) in cash in the year	1,250	(15,770)
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>1,250</b>	<b>(15,770)</b>
Net funds at 1 January 2010	4,156	19,926
<b>NET FUNDS AT 31 DECEMBER 2010</b>	<b>5,406</b>	<b>4,156</b>

The notes on pages 8 to 16 form part of these financial statements

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## THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

##### 1.2 Turnover

Turnover comprises management fees receivable in the year, exclusive of Value Added Tax

##### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	20% straight line
Fixtures, fittings & equipment	-	15% reducing balance

##### 1.4 Investments

Investments held as fixed assets are valued at cost less provision for impairment, if any

##### 1.5 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

##### 1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

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## THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and Loss Account

##### 1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

#### 2. TURNOVER

All turnover is attributable to the principal activity of the company and arose within the United Kingdom

#### 3. OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2010 £	2009 £
Depreciation of tangible fixed assets		
- owned by the company	2,741	2,737
Operating lease rentals		
- land & buildings	18,263	35,000
Difference on foreign exchange	(75)	3,042
	<u>          </u>	<u>          </u>

During the year, no director received any emoluments (2009 - £Nil)

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THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010

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4. STAFF COSTS

Staff costs were as follows

	2010 £	2009 £
Wages and salaries	43,714	49,532
Other pension costs	1,200	1,200
	<u>44,914</u>	<u>50,732</u>

The average monthly number of employees, including the directors, during the year was as follows

	2010 No.	2009 No
	<u>1</u>	<u>1</u>

5. TAXATION

	2010 £	2009 £
<b>Analysis of tax (credit)/charge in the year</b>		
UK corporation tax charge on profit for the year	-	5,350
Adjustments in respect of prior periods	(44)	-
	<u>(44)</u>	<u>5,350</u>
<b>Tax (credit)/charge on profit on ordinary activities</b>		
	<u>(44)</u>	<u>5,350</u>

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**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**5. TAXATION (continued)**

**Factors affecting tax (credit)/charge for the year**

The tax assessed for the year is lower than (2009 - *higher than*) the standard rate of corporation tax in the UK of 28% (2009 - 21%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	1,123	5,788
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 - 21%)	314	1,215
<b>Effects of.</b>		
Expenses not deductible for tax purposes	3,069	-
Difference between capital allowances for year and depreciation	(7,286)	(133)
Adjustments to tax charge in respect of prior periods	(44)	-
Group relief surrendered	3,903	-
Provision against investment in subsidiary	-	4,223
Other differences leading to an increase/(decrease) in the tax charge	-	45
<b>Current tax (credit)/charge for the year (see note above)</b>	<b>(44)</b>	<b>5,350</b>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges

THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010

6 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 January 2010	113,293	75,310	188,603
Additions	-	26,066	26,066
At 31 December 2010	113,293	101,376	214,669
<b>Depreciation</b>			
At 1 January 2010	113,293	59,796	173,089
Charge for the year	-	2,741	2,741
At 31 December 2010	113,293	62,537	175,830
<b>Net book value</b>			
At 31 December 2010	-	38,839	38,839
At 31 December 2009	-	15,514	15,514

7. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £	Other fixed asset investments £	Total £
<b>Cost or valuation</b>			
At 1 January 2010	2,414,005	98,000	2,512,005
Disposals	(2,363,907)	-	(2,363,907)
At 31 December 2010	50,098	98,000	148,098
<b>Impairment</b>			
At 1 January 2010	2,092,554	98,000	2,190,554
Impairment on disposals	(2,092,554)	-	(2,092,554)
At 31 December 2010	-	98,000	98,000
<b>Net book value</b>			
At 31 December 2010	50,098	-	50,098
At 31 December 2009	321,451	-	321,451

**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**7. FIXED ASSET INVESTMENTS (continued)**

**Subsidiary undertakings**

The following company, which is registered in England & Wales, was a subsidiary undertaking of the company at 31 December 2010

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Jerome Anderson Management Limited	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2010 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

<b>Name</b>	<b>Aggregate of share capital and reserves £</b>	<b>Profit £</b>
Jerome Anderson Management Limited	<b>3,672,944</b>	<b>442,526</b>

The company also holds 49% of the ordinary share capital of Templar Sport Limited, a company engaged in the provision of financial services. The investment has been fully provided against as it has no realisable value.

The disposal relates to Manmark SA, a subsidiary undertaking of the company, which was liquidated during the year.

**8. DEBTORS**

	<b>2010 £</b>	<b>2009 £</b>
Amounts owed by group undertakings	<b>677,132</b>	<b>455,302</b>
Other debtors	<b>2,575</b>	<b>4,197</b>
Prepayments and accrued income	<b>8,967</b>	<b>8,820</b>
	<b>688,674</b>	<b>468,319</b>

**9 CREDITORS**

**Amounts falling due within one year**

	<b>2010 £</b>	<b>2009 £</b>
Bank loans and overdrafts	<b>737</b>	<b>-</b>
Trade creditors	<b>503</b>	<b>2,412</b>
Corporation tax	<b>217</b>	<b>19,161</b>
Accruals and deferred income	<b>17,263</b>	<b>24,000</b>
	<b>18,720</b>	<b>45,573</b>



**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**10. SHARE CAPITAL**

	2010 £	2009 £
<b>Allotted, called up and fully paid</b>		
34,100,870 Ordinary shares of £0.10 each	<u>3,410,087</u>	<u>3,410,087</u>

**11. RESERVES**

	<b>Profit and loss account £</b>
At 1 January 2010	<b>(2,646,220)</b>
Profit for the year	<b>1,167</b>
At 31 December 2010	<u><b>(2,645,053)</b></u>

**12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2010 £	2009 £
Opening shareholders' funds	763,867	763,429
Profit for the year	1,167	438
Closing shareholders' funds	<u>765,034</u>	<u>763,867</u>

**13. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2010 £	2009 £
Operating profit	8,684	25,897
Depreciation of tangible fixed assets	2,741	2,737
Increase in debtors	(1,589)	(39,557)
(Decrease)/increase in creditors	(8,646)	11,342
<b>Net cash inflow from operating activities</b>	<u><b>1,190</b></u>	<u><b>419</b></u>

**14. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2010 £	2009 £
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>60</u>	<u>-</u>

**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**15. ANALYSIS OF CHANGES IN NET DEBT**

	1 January 2010 £	Cash flow £	Other non-cash changes £	31 December 2010 £
Cash at bank and in hand	4,156	1,987	-	6,143
Bank overdraft	-	(737)	-	(737)
<b>Net funds</b>	<b>4,156</b>	<b>1,250</b>	<b>-</b>	<b>5,406</b>

**16. MAJOR NON-CASH TRANSACTIONS**

During the year, Jerome Anderson Management Limited, a subsidiary undertaking, paid corporation tax of £18,900 and acquired tangible fixed assets of £26,066 on behalf of the company. An amount of £263,732 owed by Jerome Anderson Management Limited to Manmark SA, a former subsidiary undertaking, was also transferred to the company as part of the liquidation of Manmark SA.

**17. CONTINGENT LIABILITIES**

The company has provided a guarantee in respect of Jerome Anderson Management Limited's bank loan and overdraft which at the balance sheet date amounted to £269,335 (2009 - £200,000).

**18. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions paid by the company to the fund and amounted to £1,200 (2009 - £1,200).

**19. OPERATING LEASE COMMITMENTS**

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2010 £	2009 £
<b>Expiry date</b>		
After more than 5 years	29,000	25,000

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## THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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#### 20. RELATED PARTY TRANSACTIONS

At the year end, the company was owed £626,195 (2009 - £404,365) by Jerome Anderson Management Limited, a subsidiary undertaking, and £50,937 (2009 - £50,937) by Sports Holdings Limited, the immediate parent undertaking

Management fees of £100,000 (2009 - £150,000) were receivable from Jerome Anderson Management Limited during the year

At the year end, the company was owed £2,487 (2009 - £2,487) by Banaram Limited, a company in which J Anderson has a material interest

#### 21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent undertaking and controlling party is Kentaro AG, a company registered in Switzerland. Kentaro AG is the parent undertaking of the largest group of undertakings in which these financial statements are consolidated.

Kentaro Limited, a company registered in England & Wales, is the parent undertaking of the smallest group of undertakings in which these financial statements are consolidated. The consolidated financial statements of Kentaro Limited are publicly available from Companies House.

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THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED

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DETAILED TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2010

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	Page	2010 £	2009 £
<b>TURNOVER</b>	18	<b>100,000</b>	<b>150,000</b>
<b>LESS: OVERHEADS</b>			
Administration expenses	18	<b>(91,316)</b>	<b>(124,103)</b>
<b>OPERATING PROFIT</b>		<b>8,684</b>	<b>25,897</b>
Interest receivable	18	<b>60</b>	-
Investment expenses	18	<b>(7,621)</b>	<b>(20,109)</b>
<b>PROFIT FOR THE YEAR</b>		<b>1,123</b>	<b>5,788</b>

**THE SPORT ENTERTAINMENT & MEDIA GROUP LIMITED**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 £	2009 £
<b>TURNOVER</b>		
Management fees	<u>100,000</u>	<u>150,000</u>
	2010 £	2009 £
<b>ADMINISTRATION EXPENSES</b>		
Staff salaries	43,714	49,532
Staff pension costs	1,200	1,200
Postage	180	126
Telephone and fax	720	2,703
Legal and professional	891	1,374
Bank charges	1,326	775
Difference on foreign exchange	(75)	3,042
Sundry expenses	7,856	2,994
Rent and rates	32,171	57,287
Insurances	592	2,118
Repairs and maintenance	-	215
Depreciation	2,741	2,737
	<u>91,316</u>	<u>124,103</u>
	2010 £	2009 £
<b>INTEREST RECEIVABLE</b>		
Bank interest receivable	<u>60</u>	<u>-</u>
	2010 £	2009 £
<b>INVESTMENT EXPENSES</b>		
Provision against investment in subsidiary undertaking	-	(20,109)
Loss on disposal of investment in subsidiary undertaking	(7,621)	-
	<u>(7,621)</u>	<u>(20,109)</u>