

Registered number 06229631

THE ACTIVE NETWORK (EU) LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2010

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THE ACTIVE NETWORK (EU) LIMITED

CONTENTS

	Page
Company information page	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 12

THE ACTIVE NETWORK (EU) LIMITED
COMPANY INFORMATION

Directors	M S Skelly M G Landa S C Pietrzak
Company secretary	Taylor Wessing Secretaries Limited
Company number	06229631
Registered office	5 New Street Square London EC4A 3TW
Auditor	Blick Rothenberg Chartered Accountants & Statutory Auditor 12 York Gate Regent's Park London NW1 4QS

THE ACTIVE NETWORK (EU) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

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

Principal activity

The principal activity of the company is marketing and support services to its parent company

Directors

The directors who served during the year were

M S Skelly
M G Landa
S C Pietrzak


Provision of information to auditor

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 auditor is 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 auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf



M S Skelly
Director

Date 14 Sept. 2011

THE ACTIVE NETWORK (EU) LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2010

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,
- 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 ACTIVE NETWORK (EU) LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE ACTIVE
NETWORK (EU) LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2010

We have audited the financial statements of The Active Network (EU) Limited for the year ended 31 December 2010, set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 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 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 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

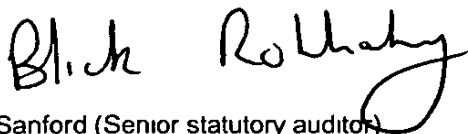
In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

THE ACTIVE NETWORK (EU) LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE ACTIVE
NETWORK (EU) LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2010

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 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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



Andrew Sanford (Senior statutory auditor)

for and on behalf of
Blick Rothenberg

Chartered Accountants and
Statutory Auditor

12 York Gate
Regent's Park
London
NW1 4QS

20 September 2011

THE ACTIVE NETWORK (EU) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Turnover	1,2	2,107,056	1,706,533
Administrative expenses		(1,951,063)	(1,580,605)
		<hr/>	<hr/>
Operating profit	3	155,993	125,928
Interest receivable and similar income		85	544
Interest payable and similar charges		-	(62)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		156,078	126,410
Tax on profit on ordinary activities	4	(44,854)	(32,739)
		<hr/>	<hr/>
Profit for the financial year	11	111,224	93,671
		<hr/>	<hr/>

The notes on pages 8 to 12 form part of these financial statements

THE ACTIVE NETWORK (EU) LIMITED

REGISTERED NUMBER 06229631

BALANCE SHEET AS AT 31 DECEMBER 2010

	Note	£	2010 £	£	2009 £
Fixed assets					
Intangible assets	5		-		2,299
Current assets					
Debtors	6	208,136		153,315	
Cash at bank and in hand		158,524		82,781	
		<u>366,660</u>		<u>236,096</u>	
Creditors' amounts falling due within one year	7	(132,693)		(115,652)	
Net current assets			<u>233,967</u>		<u>120,444</u>
Total assets less current liabilities			<u>233,967</u>		<u>122,743</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	11		<u>233,965</u>		<u>122,741</u>
Shareholders' funds			<u>233,967</u>		<u>122,743</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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



M S Skelly
Director

Date 14 Sept. 2011

THE ACTIVE NETWORK (EU) LIMITED

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

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 Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements have been prepared on the going concern basis as the company has received a letter of support from its parent company, the sole customer of the company

1.2 Turnover

Turnover comprises revenue recognised by the company in respect services supplied, exclusive of Value Added Tax

1.3 Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset

Amortisation is provided at the following rates

Intangible fixed assets	-	20-50% straight line
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1.4 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

Equipment	-	33% straight line
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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

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

THE ACTIVE NETWORK (EU) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

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

1.9 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.10 Equity settled share-based payment arrangements

The company issues equity-settled share based payments to certain employees. In accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) equity-settled share based payment arrangements are not recognised in the financial statements, information relating thereto is reported on a disclosure basis only in the financial statements.

2. Turnover

100% of the company's turnover (2009 - 100%) is attributable to geographical markets outside the United Kingdom

3. Operating profit

The operating profit is stated after charging

	2010	2009
	£	£
Amortisation of intangible fixed assets	2,299	7,189
Auditor's remuneration	13,954	11,768
Pension costs	3,785	-
Loss on disposal of fixed assets	-	5,704
	<u>16,038</u>	<u>24,661</u>

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

THE ACTIVE NETWORK (EU) LIMITED

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

4. Taxation

	2010 £	2009 £
UK corporation tax charge on profit for the year	<u>44,854</u>	<u>32,739</u>

5. Intangible fixed assets

	Sundry intangible assets £
Cost	
At 1 January 2010 and 31 December 2010	<u>30,027</u>
Amortisation	
At 1 January 2010	27,728
Charge for the year	<u>2,299</u>
At 31 December 2010	<u>30,027</u>
Net book value	
At 31 December 2010	-
At 31 December 2009	<u>2,299</u>

6. Debtors

	2010 £	2009 £
Amounts owed by group undertakings	155,248	122,486
Other debtors	<u>52,888</u>	<u>30,829</u>
	<u>208,136</u>	<u>153,315</u>

7. Creditors: Amounts falling due within one year

	2010 £	2009 £
Trade creditors	7,746	7,962
Corporation tax	44,921	34,504
Social security and other taxes	11,031	40,545
Other creditors	<u>68,995</u>	<u>32,641</u>
	<u>132,693</u>	<u>115,652</u>

THE ACTIVE NETWORK (EU) LIMITED

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

8 Operating lease commitments

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

	2010 £	2009 £
Expiry date:		
Within 1 year	142,500	-
Within 2 to 5 years	-	183,000

9. Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

10. Share based payments: Equity-settled share-based payments

1 employee (2009 2) of The Active Network (EU) Limited holds share options in the parent company, The Active Network, Inc. At the year end, 2,500 (2009 12,500) share options were outstanding. No (2009 10,000) share options were granted in the year.

All outstanding options have an exercise price of \$6.68 and an expiration date of 20 February 2018. No shares were exercised or cancelled during the year.

All options granted under the plan have a vesting period of one year from the grant date for a quarter of the options granted, with one quarter vesting each year thereafter, providing either that the option holder is employed by the company at the date of exercise, or that the date of exercise is within three months of termination of employment. There are no performance related conditions.

11. Reserves

	Profit and loss account £
At 1 January 2010	122,741
Profit for the year	111,224
At 31 December 2010	233,965

THE ACTIVE NETWORK (EU) LIMITED

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

12. Related party transactions

The company has taken advantage of the exemption from disclosing transactions with entities which are a wholly owned part of the group

13. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is The Active Network Inc, a company incorporated in Delaware in the United States of America. Group financial statements are not available.

In the opinion of the directors the immediate controlling party is The Active Network Inc.

In the opinion of the directors there is no ultimate controlling party.

14. Post balance sheet events

On 25 May 2011 The Active Network Inc listed on the New York stock exchange.