

Chantrey Vellacott DFKLLP

Venue Retail Limited

Financial statements

31 March 2011

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Venue Retail Limited

Financial statements

Period from 29 April 2010 to 31 March 2011

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Venue Retail Limited

Officers and professional advisers

The board of directors

A Coppin	Non-executive chairman
S Rider	CEO
N Price	
R Porter-Smith	
S McNaughton	
J Harris	
J Ayton	Non-executive
D Burnett	Non-executive

Company secretary

C Heaton

Registered office

7 Billing Road
Northampton
NN1 5AN

Auditor

Chantrey Vellacott DFK LLP
Chartered Accountants
Statutory Auditor
Russell Square House
10-12 Russell Square
London
WC1B 5LF

Chantrey Vellacott DFK LLP

Venue Retail Limited

Directors' report

Period from 29 April 2010 to 31 March 2011

The directors present their report and the audited financial statements of the company for the period from 29 April 2010 to 31 March 2011

Principal activities and business review

The principal activity of the company is that of a sporting venue retailer

Subsequent to Incorporation the company has successfully tendered for the merchandising contract in respect of the 2012 London Olympics. This is a major award that will fully occupy management through to the end of 2012 at the earliest. However, in the meantime there are other major events that will be considered by the Board as and when the opportunity and timing for tendering becomes appropriate.

The Board is delighted to have already secured the necessary funding to be able to fulfill its obligations under the terms of its contract with LOCOG. As part of that contract a non refundable, £2,650,000 advance Royalty payment was paid on 1st October 2010. This has resulted in the Company having a profit and loss account reserve deficit at the Balance Sheet date, but the Board has sufficient funding already in place to meet the Company's liabilities as and when they fall due.

The Board looks forward to a successful Olympic Games

Directors

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

N Price
S Rider
R Porter-Smith
S McNaughton
J Ayton
D Burnett
A Coppin
J Harris

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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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.

Venue Retail Limited

Directors' report *(continued)*

Period from 29 April 2010 to 31 March 2011

Insofar as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

Chantrey Vellacott DFK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed on behalf of the directors



J Harris
Finance Director

Approved by the directors on 20 September 2011

Chantrey Vellacott DFK LLP

Venue Retail Limited

Independent auditor's report to the shareholders of Venue Retail Limited

Period from 29 April 2010 to 31 March 2011

We have audited the financial statements of Venue Retail Limited for the period from 29 April 2010 to 31 March 2011 which comprise the profit and loss account, balance sheet and the related notes. 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 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 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set out on pages 2 to 3, 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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Venue Retail Limited

Independent auditor's report to the shareholders of Venue Retail Limited (continued)

Period from 29 April 2010 to 31 March 2011

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 March 2011 and of its loss for the period 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

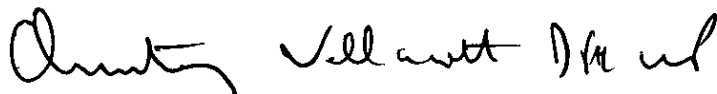
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



CHRISTOPHER HINDLE (Senior Statutory Auditor)
for and on behalf of **CHANTREY VELLACOTT DFK LLP**
Chartered Accountants and Statutory Auditor
London

20 September 2011

Chantrey Vellacott DFK LLP

Venue Retail Limited

Profit and loss account

Period from 29 April 2010 to 31 March 2011

	Note	Period from 29 Apr 10 to 31 Mar 11 £
Turnover		—
Administrative expenses		<u>3,358,939</u>
Operating loss	2	(3,358,939)
Interest payable and similar charges		<u>78,128</u>
Loss on ordinary activities before taxation		(3,437,067)
Tax on loss on ordinary activities	4	(894,513)
Loss for the financial period		<u>(2,542,554)</u>

Chantrey Vellacott DFK LLP

The notes on pages 8 to 13 form part of these financial statements

Venue Retail Limited

Balance sheet


As at 31 March 2011

	Note	31 Mar 11 £
Fixed assets		
Tangible assets	5	—
Current assets		
Stocks		32,821
Debtors	6	1,039,830
Cash at bank		1,003,215
		<u>2,075,866</u>
Creditors amounts falling due within one year	8	<u>147,796</u>
Net current assets		<u>1,928,070</u>
Total assets less current liabilities		<u>1,928,070</u>
Creditors amounts falling due after more than one year	9	<u>1,328,178</u>
		<u>599,892</u>
Capital and reserves		
Called up equity share capital	11	1,471,488
Share premium account	12	1,670,958
Profit and loss account	13	(2,542,554)
Shareholders' funds		<u>599,892</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 20 September 2011, and are signed on their behalf by


S Rider
CEO


J Harris
Finance Director

Company Registration Number 07239663

The notes on pages 8 to 13 form part of these financial statements

Venue Retail Limited

Notes to the financial statements

Period from 29 April 2010 to 31 March 2011

1 Accounting policies

Basis of accounting

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)

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation 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 as follows

Equipment - 1 year

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Deferred taxation

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

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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

Financial instruments

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 entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Venue Retail Limited

Notes to the financial statements

Period from 29 April 2010 to 31 March 2011

2 Operating loss

Operating loss is stated after charging

Period from
29 Apr 10 to
31 Mar 11
£

Depreciation of owned fixed assets
Auditor's fees

561
3,000

3 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

Period from
29 Apr 10 to
31 Mar 11
£

Aggregate remuneration

123,593

4 Taxation on ordinary activities

Analysis of charge in the period

Period from
29 Apr 10 to
31 Mar 11
£

Deferred tax

Origination and reversal of timing differences (note 7)
Losses

(894,513)

Venue Retail Limited

Notes to the financial statements

Period from 29 April 2010 to 31 March 2011

5 Tangible fixed assets

	Equipment £
Cost	
Additions	561
At 31 March 2011	<u>561</u>
Depreciation	
Charge for the period	561
At 31 March 2011	<u>561</u>
Net book value	
At 31 March 2011	<u>-</u>

6 Debtors

	31 Mar 11 £
VAT recoverable	26,672
Other debtors	118,645
Deferred taxation (note 7)	894,513
	<u>1,039,830</u>

The debtors above include the following amounts falling due after more than one year

	31 Mar 11 £
Other debtors	<u>52,424</u>

Venue Retail Limited**Notes to the financial statements****Period from 29 April 2010 to 31 March 2011****7 Deferred taxation**

The deferred tax included in the Balance sheet is as follows

Period from
29 Apr 10 to
31 Mar 11
£

Included in debtors (note 6)

894,513

The movement in the deferred taxation account during the period was

Period from
29 Apr 10 to
31 Mar 11
£

Profit and loss account movement arising during the period (note 4)

894,513

Balance carried forward

894,513

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

31 Mar 11
£

Tax losses available

894,513894,513**8 Creditors amounts falling due within one year**

31 Mar 11
£

Trade creditors

116,735

Taxation and social security

11,611

Other creditors

19,450147,796**9 Creditors amounts falling due after more than one year**

31 Mar 11
£

Other creditors

1,328,178

Other creditors represent subordinate debt held by series B shareholders along with the interest that has accrued on this debt. The subordinate debt accrues interest at 12.5% per annum, calculated on a daily basis. Interest totalling £78,128 has been accrued during this period. The company anticipates redeeming the subordinated debt after the 2012 Olympic and Paralympic Games but before the end of December 2012, together with the accrued interest.

Venue Retail Limited

Notes to the financial statements

Period from 29 April 2010 to 31 March 2011

10 Related party transactions

The company was not under the control of any one individual throughout the current period

The services of J Harris are being provided by Harris and Clarke LLP, a limited liability partnership of which J Harris is a member. During the period, the company issued 26,654 B shares at a value of £72,500 to Harris and Clarke LLP. The subscription price is to be paid from fees payable to the LLP for J Harris' services to the company. During the period fees totalling £16,110 have been charged by Harris and Clarke LLP for these services.

The services of R Porter-Smith are being provided by Direct2fans Limited, a company controlled by R Porter-Smith. During the period fees totalling £49,237 have been paid to Direct2fans Limited for the services of R Porter-Smith. During the period fees totalling £8,073 have been paid to Direct2fans Limited for office rent and services.

The services of N Price are being provided by Brand Asset Management Limited, a company controlled by N Price. During the period fees totalling £61,043 have been paid to Brand Asset Management Limited for the services of N Price. A further £40,460 has been paid to Brand Asset Management Limited for consultancy fees in the period.

No further transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard for Smaller Entities (effective April 2008).

11 Share capital

Authorised share capital

	31 Mar 11
	£
500,001 Series A shares of £1 each	500,001
971,487 Series B shares of £1 each	971,487
	<u>1,471,488</u>

Allotted, called up and fully paid

	No	£
500,001 Series A shares of £1 each	500,001	500,001
971,487 Series B shares of £1 each	971,487	971,487
	<u>1,471,488</u>	<u>1,471,488</u>

The A shares and B shares rank pari passu as regards payment of dividends and return of capital.

Venue Retail Limited

Notes to the financial statements

Period from 29 April 2010 to 31 March 2011

12 Share premium account

	Period from 29 Apr 10 to 31 Mar 11 £
Premium on shares issued in the period	1,670,958
Balance carried forward	<u>1,670,958</u>

13 Profit and loss account

	Period from 29 Apr 10 to 31 Mar 11 £
Loss for the financial period	(2,542,554)
Balance carried forward	<u>(2,542,554)</u>