

REGISTERED NUMBER: 03531967 (England and Wales)

**REPORT OF THE DIRECTOR AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
FOR
FIRST SPORTS INTERNATIONAL LTD**

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Page
Company Information	1
Report of the Director	2
Report of the Independent Auditors	3
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9

FIRST SPORTS INTERNATIONAL LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019**

DIRECTOR: Mr Seán Patrick Lucas

REGISTERED OFFICE: Hersham Place Technology Park Sterling B
Molesey Road
Walton-On-Thames
Surrey
KT12 4RZ

REGISTERED NUMBER: 03531967 (England and Wales)

AUDITORS: Sterling
Chartered Accountants
& Statutory Auditors
505 Pinner Road
Harrow
Middlesex
HA2 6EH

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2019**

The director presents his report with the financial statements of the company for the year ended 31 December 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was to provide sports management software along with support and maintenance of the same to sports organisations worldwide.

DIRECTOR

Mr Seán Patrick Lucas held office during the whole of the period from 1 January 2019 to the date of this report.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FIRST SPORTS INTERNATIONAL LTD

Opinion

We have audited the financial statements of First Sports International Ltd (the 'company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of 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 2019 and of its loss 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 Auditors' 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;
- or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information in the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

- the information given in the Report of the Director for the financial year for which the financial statements are prepared is
- consistent with the financial statements; and
- the Report of the Director has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FIRST SPORTS INTERNATIONAL LTD

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 Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

Responsibilities of director

As explained more fully in the Director's Responsibilities Statement set out on page two, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FIRST SPORTS INTERNATIONAL LTD**

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 a Report of the Auditors 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.

Bharat Vanza BSc(Hons) ACA FCCA (Senior Statutory Auditor)
for and on behalf of Sterling
Chartered Accountants
& Statutory Auditors
505 Pinner Road
Harrow
Middlesex
HA2 6EH

21 July 2020

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	31/12/19 £	31/12/18 £
TURNOVER		1,675,238	1,886,779
Cost of sales		<u>1,063,994</u>	<u>1,050,226</u>
GROSS PROFIT		611,244	836,553
Administrative expenses		<u>932,136</u>	<u>1,086,659</u>
OPERATING LOSS	4	(320,892)	(250,106)
Interest payable and similar expenses		<u>90,353</u>	<u>61,430</u>
LOSS BEFORE TAXATION		(411,245)	(311,536)
Tax on loss	5	<u>(59,567)</u>	<u>(51,238)</u>
LOSS FOR THE FINANCIAL YEAR		(351,678)	(260,298)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(351,678)</u>	<u>(260,298)</u>

The notes form part of these financial statements

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2019**

		31/12/19		31/12/18	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	6		707,056		572,780
Tangible assets	7		10,022		8,031
Investments	8		<u>1</u>		<u>-</u>
			717,079		580,811
CURRENT ASSETS					
Debtors	9	335,854		499,143	
Cash at bank		<u>428,141</u>		<u>198,302</u>	
		763,995		697,445	
CREDITORS					
Amounts falling due within one year	10	<u>895,494</u>		<u>892,038</u>	
NET CURRENT LIABILITIES			<u>(131,499)</u>		<u>(194,593)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			585,580		386,218
CREDITORS					
Amounts falling due after more than one year	11		1,731,235		1,180,195
NET LIABILITIES			<u>(1,145,655)</u>		<u>(793,977)</u>
CAPITAL AND RESERVES					
Called up share capital	14		6		6
Share premium			6,978,214		6,978,214
Other reserves			879,511		879,511
Retained earnings			<u>(9,003,386)</u>		<u>(8,651,708)</u>
SHAREHOLDERS' FUNDS			<u>(1,145,655)</u>		<u>(793,977)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the director and authorised for issue on 16 July 2020 and were signed by:

Mr Seán Patrick Lucas - Director

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Retained earnings £	Share premium £	Other reserves £	Total equity £
Balance at 1 January 2018	6	(8,391,410)	6,978,214	879,511	(533,679)
Changes in equity					
Total comprehensive loss	-	(260,298)	-	-	(260,298)
Balance at 31 December 2018	6	(8,651,708)	6,978,214	879,511	(793,977)
Changes in equity					
Total comprehensive loss	-	(351,678)	-	-	(351,678)
Balance at 31 December 2019	6	(9,003,386)	6,978,214	879,511	(1,145,655)

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. STATUTORY INFORMATION

First Sports International Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of 5 years.

Tangible fixed assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and Fittings - 20% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Investment in subsidiary is reviewed annually and impairment loss is recognised in profit and loss if carrying amount is less than recoverable amount.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Research cost is recognised as expense in the year it is incurred. Development cost is recognised as intangible asset on balance sheet at cost. The cost of development is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 22 (2018 - 24).

Total remuneration paid to directors during the year under review was £190,000 (2018: £160,761).

4. OPERATING LOSS

The operating loss is stated after charging:

	31/12/19	31/12/18
	£	£
Depreciation - owned assets	2,016	8,525
Development costs amortisation	284,567	262,779
Auditors' remuneration	8,750	11,000
Auditors' remuneration - non-audit work	<u>2,250</u>	<u>-</u>

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019****5. TAXATION****Analysis of the tax credit**

The tax credit on the loss for the year was as follows:

	31/12/19	31/12/18
	£	£
Current tax:		
Corporation tax	(90,620)	(102,786)
Deferred tax	<u>31,053</u>	<u>51,548</u>
Tax on loss	<u>(59,567)</u>	<u>(51,238)</u>

Corporation tax receivable and retained earnings of previous year have been increased by £9,779 due to error pertaining to capital allowances on development cost.

6. INTANGIBLE FIXED ASSETS

	Development costs £
COST	
At 1 January 2019	2,624,507
Additions	418,843
Disposals	<u>(1,532,455)</u>
At 31 December 2019	<u>1,510,895</u>
AMORTISATION	
At 1 January 2019	2,051,727
Amortisation for year	284,567
Eliminated on disposal	<u>(1,532,455)</u>
At 31 December 2019	<u>803,839</u>
NET BOOK VALUE	
At 31 December 2019	<u>707,056</u>
At 31 December 2018	<u>572,780</u>

Intangible assets additions include development of a new gym management system which was started in current year having a useful life of 5 years. Other additions relate to extension of the existing core software for sports by adding more modules to it.

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 January 2019	74,105
Additions	<u>4,007</u>
At 31 December 2019	<u>78,112</u>
DEPRECIATION	
At 1 January 2019	66,074
Charge for year	<u>2,016</u>
At 31 December 2019	<u>68,090</u>
NET BOOK VALUE	
At 31 December 2019	<u>10,022</u>
At 31 December 2018	<u>8,031</u>

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
Reversal of impairments	<u>1</u>
At 31 December 2019	<u>1</u>
NET BOOK VALUE	
At 31 December 2019	<u>1</u>

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019****8. FIXED ASSET INVESTMENTS - continued**

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

First Sports Tickets Inc

Registered office: C/O Miller & Martin Pic, Suite 2100, 1180 West Peachtree Street, Atlantic GA 30390, United States of America.

Nature of business: Development of sports software

Class of shares:	%	
Ordinary shares	holding	
	31/12/19	31/12/18
	£	£
Aggregate capital and reserves	2,560	15,153
Loss for the year	<u>(1,323)</u>	<u>(1,355)</u>

Total cost of investment in the above subsidiary was £65,832 which was fully impaired in previous years up to 2016.

Reversal of impairment amounting to £1 has been made in the current year to recognise the investment in subsidiary on the face of balancesheet.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/19	31/12/18
	£	£
Trade debtors	80,804	88,466
Other debtors	125,117	208,933
Deferred tax asset	157	31,210
Accrued income	102,758	170,534
Prepayments	<u>27,018</u>	<u>-</u>
	<u>335,854</u>	<u>499,143</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/19	31/12/18
	£	£
Trade creditors	142,870	291,139
Social security and other taxes	99,958	90,586
VAT	66,248	63,433
Other creditors	366,015	188,765
Deferred income	210,621	239,633
Accrued expenses	<u>9,782</u>	<u>18,482</u>
	<u>895,494</u>	<u>892,038</u>

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/12/19	31/12/18
	£	£
Other loans - 2-5 years	<u>1,731,235</u>	<u>1,180,195</u>

The loan amount is payable to All About Tickets, the parent company and will be repaid on 31st December 2025.

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31/12/19	31/12/18
	£	£
Within one year	32,186	-
Between one and five years	110,135	-
In more than five years	-	33,743
	<u>142,321</u>	<u>33,743</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	31/12/19	31/12/18
	£	£
Credit cards balance	<u>6,022</u>	<u>2,991</u>

Allied Irish Bank has created a legal charge over companies assets against credit limit of £15,000 awarded through credit cards.

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31/12/19	31/12/18
			£	£
10,149,773	Ordinary	0.000000631	<u>6</u>	<u>6</u>

15. RELATED PARTY DISCLOSURES

At the balance sheet date the Company owes £1,731,235 (2018: £1,180,194) to All About Tickets LLC, the parent company.

During the financial year, management fee amounting to £25,053 was charged by All About Tickets LLC, the parent company.

FIRST SPORTS INTERNATIONAL LTD (REGISTERED NUMBER: 03531967)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. ULTIMATE CONTROLLING PARTY

The Immediate parent and controlling party is All About Tickets LLC, a limited liability company incorporated in United States of America.

17. PRIOR YEAR RESTATEMENTS

Work in progress as at 31.12.2018 amounting to £170,533 has been restated as accrued income and provision for liabilities as at 31.12.2018 amounting to £31,210 has been restated as deferred tax asset due to classification errors in previous year and clubbed under debtors along with current year's accrued income of £102,758, deferred tax asset of £157 and corporation tax receivable of £100,399. Debtors balance of previous year before re-statements was £287,621 which has now increased to £499,143. Retained earnings balance of previous year before re-statements was -£8,661,487 which has now increased to -£8,651,708.

18. GOING CONCERN

Directors have prepared the accounts on going concern basis, notwithstanding net current liabilities of £131,499 and net liabilities of £1,145,655 for the following reasons. Full financial support will be provided to the Company by All About Tickets, LLC (the parent company). Post year end, the parent company has already provided long term loan amounting to £301,551 to the Company and dependant on meeting certain performance targets, additional funding of £200,000 will be provided as long term loan. The Company has also taken some measures to tackle with negative impacts of COVID-19. This includes furloughing more than half of the staff, delaying of VAT payments to HMRC and obtaining £50,000 from government by way of CBIL scheme. All these measures will help the Company to meet its short term liabilities and continue its business operations for the foreseeable future.

