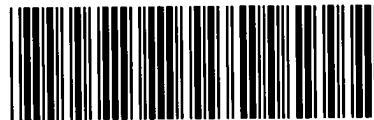


Company Registration No. 03096937 (England and Wales)

Premier Rugby Limited

**Annual report and financial statements
for the year ended 30 June 2017**

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Premier Rugby Limited

Company information

Directors	Anthony Rowe Martin St Quinton Gregory Allen Gary Hetherington Peter Tom Bruce Craig David Morgan Ismail Kurdi Nicholas Eastwood Christopher Booy Michael Crossan Simon Orange John White Mitesh Velani	(Appointed 28 September 2016) (Appointed 31 May 2017) (Appointed 29 August 2017)
Secretary	Adrian Alli	
Company number	03096937	
Registered office	Regal House 70 London Road Twickenham Middlesex TW1 3QS	
Independent auditors	Saffery Champness LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ	

Premier Rugby Limited

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Premier Rugby Limited

Strategic report

For the year ended 30 June 2017

The directors present the strategic report for the year ended 30 June 2017.

Fair review of the business

The Company completed another successful financial year to June 2017. Share-based cash distributions are at their highest level in the Company's history for a fifth consecutive year.

During the year Premiership Rugby was recognised by the London Stock Exchange Group as one of the 1000 Companies to Inspire Britain. Their report identifies the fastest-growing and most dynamic small and medium sized businesses (SMEs) across the UK.

Share-based cash distributions to the Clubs at £43.1m increased by £6.1m (2016: £37.0m). This represents a 16% increase when compared to last year.

The Company's broadcast agreement with BT Sport continued into the fourth season of coverage, and income from our new overseas broadcast agreement with RDA Television agency, backed by Groupe Altice, increased by 51%. On BT Sport we saw an increase in audiences of 17%, as compared with the previous year.

This season saw our Clubs again performing strongly in European rugby. Playing results for our Clubs in the competitions generated 11% increased income as compared with last year (2016: 1%). Income from the Aviva Premiership Rugby Final continued to perform well, being up 11% as compared with last year. Overall costs of the Company were again well managed and represented 8% of turnover (2016: 9%).

In addition to their distributions from the Company, the shareholder Clubs also received £25.5m (2016: £11.1m) in payments directly from the RFU under the terms of the new 8 year agreement between the Company, the RFU and the Clubs, which runs until the end of season 2023/24.

Total income to the Clubs from all of the above was up £20.5m at £68.6m (2016: £48.1m).

The most important competition for the Company is Aviva Premiership Rugby which generates the largest share of revenue. This was the seventh year with title sponsor Aviva, and the partnership continues to be very successful for both parties, with Premiership Rugby delivering an increase of 260% above targeted media values for Aviva. Aviva is secured as title sponsor until the end of the 2017/18 Season.

Attendances in the season continued to grow, up 11% over 2016 (2016: up 2% [Rugby World Cup year]).

The season culminated in the Aviva Premiership Rugby Final at the end of May at Twickenham Stadium in front of over 78,000 fans. This saw Exeter Chiefs crowned 2016/17 Champions for the first time, beating Wasps in a thrilling finale that went into extra time to decide the winner.

The year saw some exceptional performances for our Clubs in other competitions, with Saracens crowned as back-to-back Champions in the European Champions Cup, beating ASM Clermont in Edinburgh. Gloucester Rugby were also finalists in the European Challenge Cup narrowly losing 25 -17 to Stade Français.

The Singha Premiership Rugby 7s Series featuring English and Welsh teams was held at Franklin Gardens in a new format which saw all games played over two days and saw Wasps retain their title as champions, this year beating Newcastle Falcons in the final.

Fair review of the business (continued)

The Anglo-Welsh Cup Final saw Leicester Tigers crowned champions, beating Exeter Chiefs 16-12 at the Twickenham Stoop, and the A League Final was played at Franklins Gardens, with Northampton Saints beating Gloucester Rugby 36-15.

The Company continues to see growth in online and social media activity. During the year, Facebook 'likes' increased by 13%, Twitter followers increased by 17%, and the website has had almost 10 million page views.

Working with production partner Perform, the Company produces the weekly highlights' programme as televised during the season on ITV, and full camera coverage for non-live televised games providing consistent Technical Match Official (TMO) coverage across all games. Fans of Aviva Premiership Rugby are able to follow their Clubs via a number of platforms, with live televised matches on BT Sport, with regular time slots to view, extended highlights available both online and on mobile with Premiership Rugby TV, a regular terrestrial highlights show, and a weekly magazine show on BT Sport. A new agreement with Channel 5 was agreed for the weekly free to air highlights, replacing ITV, until 2021. Also from 2017/18 season, the company will be increasing its digital engagement with fans, publishing more match highlights and clips across all of its social channels and those of the clubs.

Our Community and Corporate Social Responsibility programmes continue to develop and change lives, with in excess of 310,000 young people benefiting annually. We have continued to diversify our partnerships and funding streams to support our national campaigns Play and BreakThru. Our new agreement with the RFU has allowed us to target under representation in the game and support our ambition to take the game to new audiences by providing new accessible opportunities to participate for Black, Asian and Minority Ethnic communities, young people from Low Socio Economic backgrounds and for disabled people, and our work with disabled people has been further enhanced through our partnership with Comic Relief to support a reduction in social isolation for targeted groups. Our programmes support the school curriculum covering a broad range of areas, with HITZ addressing social change and increasing employability skills for young people Not in Education Employment or Training (NEET), Something to Chew On focussing on healthy eating and food education, our Tackling Numbers programme increasing numeracy and financial literacy skills and On the Front Foot providing character education to school children in both primary and secondary schools. Our work with the Movember Foundation, a project targeting adult male fans' health and wellbeing, which saw outstanding weight loss and mental health improvements, has been prepared for expansion to all 12 clubs in 2017/18. Internationally, our Try Rugby programme continues to deliver high quality outcomes across 5 states in Brazil where it focuses on developing awareness of the sport following the success of 7's during the Rio Olympics. Its success along with Hitz in Argentina has seen new programming created in Colombia and the USA through our partnership with the British Council.

The company's community work has been externally recognised as market leading on a number of occasions over the year with Tackling Numbers picking up a Silver Award and highly commended at the Corporate Engagement Awards and Hitz being shortlisted for a Sports Business Award.

Development and performance

As we enter season 2017/18, the Company is in strong position, with its future financial performance substantially underpinned by contracts with its principal commercial partners. Our broadcast contract with BT Sport secures them as domestic broadcast partner over the next 4 years until 2021. Our overseas broadcast contract with new partner RDA Television agency, backed by Groupe Altice is also secured until 2021. Our broadcast contract with NBC continues to take Aviva Premiership Rugby into 85 million homes in the USA for the next 2 years.

With Perform we facilitate our domestic and international broadcast platform so that every Aviva Premiership Rugby game is able to be viewed live, whether on linear television or on digital platforms, around the world.

Other major contracts include: Aviva as title sponsor for an extended term into 2017/18, continuing a successful 8 year partnership, a continuing relationship with long standing partner Land Rover until the end of 2019/20, and Ricoh until the end of 2018/19. In addition to these we are currently in the market to secure new commercial partners for the longer term.

An 8 year agreement to the end of 2023/24 is in place with the RFU which significantly increase monies paid directly to clubs, and we have a continuing a long term agreement in place with EPCR. Premiership Rugby also delivers the Anglo Welsh Cup competition from 2016/17.

This gives the Company a high degree of certainty over a significant part of its revenues and allows the Shareholder Clubs to plan for the future with certainty.

In 2017/18 we also launched the American Series, taking an Aviva Premiership Rugby match to Philadelphia where Newcastle Falcons played Saracens. The match is part of a long-term agreement with AEG – the world's leading sports and live entertainment company – and involves Premiership Rugby taking a match to the USA every year for four years. The multi-year agreement also has the backing of USA Rugby and NBC Sports who broadcast the games live, as well as the game being shown live on BT Sport here in the UK, with highlights available through our newest broadcast partner, Channel 5. The legacy from the first match in the American Series included us awarding 35 Premiership Rugby Scholarships to young American players and coaches who will come to England in spring of 2018.

Principal Risks and Uncertainties

The principal risk affecting the company is a degree of uncertainty by businesses following Brexit. In entering the market for new commercial partners the company is aware of an increased level of cautiousness over long term investments. However it is our opinion, based upon the above points detailing the review of the business and its development and performance, that Premiership Rugby remains a valuable proposition for any potential commercial partners.

The company receives income from EPCR in Euro's, and the income that EPCR receives is from multi-currency agreements. The impact of Brexit on future exchange rates may affect the level of euro income that EPCR receives, and therefore the level that the company would receive. We remain focussed on this with EPCR and the planning of currency receipts beyond the current season, which has been fixed.

Premier Rugby Limited

Strategic report (continued)

For the year ended 30 June 2017

Other information

The company's policy is to consult and discuss with employees, at meetings, matters likely to affect employees' interests, including the strategy, development and performance of the company. Information about matters of concern to employees is given through relevant information channels which seek to achieve a common awareness on the part of all employees of all factors that affect the company's growth and development. All employees share a responsibility for the culture of the company.

The company is committed to promoting equal opportunities in employment and embraces the moral, ethical, legal and business case for equality and diversity.

Going Concern Statement

These accounts have been prepared on a going concern basis as the directors confirm that the entity is a going concern when considering the financial position, liquidity and solvency of the company.

On behalf of the board



.....
Nicholas Eastwood

Director

17/10/17
.....

Premier Rugby Limited

Directors' report

For the year ended 30 June 2017

The directors present their annual report and financial statements for the year ended 30 June 2017.

Principal activities

The company's principal activity is to promote and develop professional club rugby by pursuing the collective interests of shareholder Clubs in accordance with the Shareholders' Agreement and in line with other policies approved by the Board from time to time.

Directors

No director had any direct interest in the shares of the company. The Board of Directors represents the clubs who own and receive distributions from Premier Rugby Limited. The interests of directors in the clubs can be found in the financial statements of the individual clubs concerned.

Anthony Rowe	
Martin St Quinton	
James Jennings	(Resigned 1 July 2016)
Heath Harvey	(Resigned 29 August 2017)
Gregory Allen	
Gary Hetherington	
Peter Tom	
Anthony Hewitt	(Resigned 31 May 2017)
Bruce Craig	
David Morgan	
Ismail Kurdi	
Nicholas Eastwood	
Christopher Booy	
Michael Crossan	
Simon Orange	(Appointed 28 September 2016)
Jonathan Dorsett	(Appointed 1 July 2016 and resigned 28 September 2016)
John White	(Appointed 31 May 2017)
Mitesh Velani	(Appointed 29 August 2017)

Results and dividends

The results for the year are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Premier Rugby Limited

Directors' report (continued)

For the year ended 30 June 2017

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Auditors

Saffery Champness LLP have expressed their willingness to continue in office.

Statement of disclosure to auditors

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 auditors are 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 auditors are aware of that information.

On behalf of the board

.....
Nicholas Eastwood

Director

17/6/17
.....



**Directors' responsibilities statement
For the year ended 30 June 2017**

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.

Premier Rugby Limited

Independent auditors' report

To the members of Premier Rugby Limited

Opinion

We have audited the financial statements of Premier Rugby Limited (the 'company') for the year ended 30 June 2017 set out on pages 11 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2017 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.

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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have 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.

Independent auditors' report (continued)
To the members of Premier Rugby Limited

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. 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 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 and the Directors' Report.

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, 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.

Premier Rugby Limited

Independent auditors' report (continued)
To the members of Premier Rugby Limited

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 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Saffery Champness LLP

Neil Davies (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

26/2/19
.....

Chartered Accountants
Statutory Auditors

St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

Premier Rugby Limited**Statement of comprehensive income
For the year ended 30 June 2017**

		2017	2016
	Notes	£	£
Turnover	3	70,013,616	57,763,591
Cost of sales		(64,622,759)	(51,625,074)
Gross profit		5,390,857	6,138,517
Administrative expenses		(5,819,440)	(5,330,704)
Operating (loss)/profit	4	(428,583)	807,813
Interest receivable and similar income	6	1,279	401
Interest payable and similar expenses	7	(154,676)	(218,595)
Fair value gain/(loss) on financial instruments	8	583,579	(583,579)
Profit before taxation		1,599	6,040
Taxation	9	(1,599)	(6,040)
Profit for the financial year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Premier Rugby Limited

Balance sheet

As at 30 June 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Intangible assets	12		199,267		178,779
Tangible assets	10		95,198		118,493
Investments	11		53		53
			<u>294,518</u>		<u>297,325</u>
Current assets					
Debtors	13	23,226,600		30,378,130	
Cash at bank and in hand		988,932		794,421	
		<u>24,215,532</u>		<u>31,172,551</u>	
Creditors: amounts falling due within one year	15	(24,467,945)		(31,427,771)	
Net current liabilities			<u>(252,413)</u>		<u>(255,220)</u>
Total assets less current liabilities			<u>42,105</u>		<u>42,105</u>
Provisions for liabilities	18		<u>(11,455)</u>		<u>(11,455)</u>
Net assets			<u><u>30,650</u></u>		<u><u>30,650</u></u>
Capital and reserves					
Called up share capital	20		2,015		2,020
Capital redemption reserve			15		10
Profit and loss reserves			28,620		28,620
Total equity			<u><u>30,650</u></u>		<u><u>30,650</u></u>

The financial statements were approved by the board of directors and authorised for issue on 17/6/17 and are signed on its behalf by:

.....
 Nicholas Eastwood
 Director

Company Registration No. 03096937

Premier Rugby Limited

**Statement of changes in equity
For the year ended 30 June 2017**

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 July 2015		2,015	15	28,620	30,650
Year ended 30 June 2016:					
Profit and total comprehensive income for the year		-	-	-	-
Issue of shares	20	5	-	-	5
Other		-	(5)	-	(5)
Balance at 30 June 2016		2,020	10	28,620	30,650
Year ended 30 June 2017:					
Profit and total comprehensive income for the year		-	-	-	-
Other		(5)	5	-	-
Balance at 30 June 2017		2,015	15	28,620	30,650

Premier Rugby Limited

Statement of cash flows
For the year ended 30 June 2017

	Notes	£	2017 £	£	2016 £
Cash flows from operating activities					
Cash generated from operations	23		6,055,786		3,963,592
Interest paid			(154,676)		(218,595)
Income tax adjustment in respect of prior periods			1,918		-
Net cash inflow from operating activities			5,903,028		3,744,997
Investing activities					
Purchase of intangible assets		(135,735)		(68,693)	
Purchase of tangible fixed assets		(2,775)		(45,074)	
Interest received		1,279		401	
Net cash used in investing activities			(137,231)		(113,366)
Financing activities					
Repayment of bank loans		(1,500,000)		(1,500,000)	
Net cash used in financing activities			(1,500,000)		(1,500,000)
Net increase in cash and cash equivalents			4,265,797		2,131,631
Cash and cash equivalents at beginning of year			(3,658,056)		(5,789,687)
Cash and cash equivalents at end of year			607,741		(3,658,056)
Relating to:					
Cash at bank and in hand			988,932		794,421
Bank overdrafts included in creditors payable within one year			(381,191)		(4,452,477)

1 Accounting policies

Company information

Premier Rugby Limited is a company limited by shares incorporated in England and Wales. The registered office is Regal House, 70 London Road, Twickenham, Middlesex, TW1 3QS.

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 £1.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

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. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents sponsorship and broadcast monies, recharged services and licensing income received net of value added tax. Turnover on long term contracts is assessed with reference to contracted revenues for the year.

1.4 Intangible fixed assets

Intangible assets comprise capitalised legal fees in respect of revenue generating contracts, and are written off in equal annual instalments over their estimated useful economic life. Annual impairment reviews are undertaken and provision is made for any diminution in value.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, 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	20% on cost
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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.

1 Accounting policies (continued)

1.6 Impairment of fixed 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.

1.7 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.

1.8 Financial instruments

The company applies 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 balance sheet 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.

1 Accounting policies (continued)

Basic financial assets

Basic financial assets, which include debtors, 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, 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.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.10 Derivatives

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

Notes to the financial statements (continued)
For the year ended 30 June 2017

1 Accounting policies (continued)

1.11 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 profit and loss account 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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1.12 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 fixed assets.

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

1.13 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1 Accounting policies (continued)

1.15 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 are included in the profit and loss account for the period.

2 Critical accounting 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.

There are not considered to be any significant estimates or judgements in the financial statements.

Premier Rugby Limited

Notes to the financial statements (continued)
For the year ended 30 June 2017

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017	2016
	£	£
Turnover		
Turnover	70,013,616	57,763,591
	<u> </u>	<u> </u>
Other revenue		
Interest income	1,279	401
	<u> </u>	<u> </u>

Turnover analysed by geographical market

	2017	2016
	£	£
United Kingdom	70,013,616	57,763,591
	<u> </u>	<u> </u>

4 Operating (loss)/profit

	2017	2016
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange losses	1,299,035	-
Fees payable to the company's auditors for the audit of the company's financial statements	11,500	11,800
Depreciation of owned tangible fixed assets	26,070	44,271
Amortisation of intangible assets	115,247	85,676
Operating lease charges	90,374	94,226
	<u> </u>	<u> </u>

The amortisation of intangible assets is included within administration expenses.

5 Employees

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

	2017	2016
	Number	Number
Administration	30	30
	<u> </u>	<u> </u>

Premier Rugby Limited

Notes to the financial statements (continued)
For the year ended 30 June 2017

5 Employees (continued)

Their aggregate remuneration comprised:

	2017	2016
	£	£
Wages and salaries	2,370,819	2,206,635
Social security costs	324,778	293,195
Pension costs	89,507	48,943
	<u>2,785,104</u>	<u>2,548,773</u>

6 Interest receivable and similar income

	2017	2016
	£	£
Interest income		
Interest on bank deposits	<u>1,279</u>	<u>401</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>1,279</u>	<u>401</u>
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7 Interest payable and similar expenses

	2017	2016
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	<u>154,676</u>	<u>218,595</u>

8 Other gains and losses

	2017	2016
	£	£
Fair value gains/(losses) on financial instruments		
Change in value of financial assets held at fair value through profit or loss	<u>583,579</u>	<u>(583,579)</u>

Notes to the financial statements (continued)
For the year ended 30 June 2017

9 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	1,599	-
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	-	7,958
Adjustment in respect of prior periods	-	(1,918)
	<u> </u>	<u> </u>
Total deferred tax	-	6,040
	<u> </u>	<u> </u>
Total tax charge	1,599	6,040
	<u> </u>	<u> </u>

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:

	2017	2016
	£	£
Profit before taxation	1,599	6,040
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.75% (2016: 20.00%)	316	1,208
Tax effect of expenses that are not deductible in determining taxable profit	2,701	23,055
Tax effect of utilisation of tax losses not previously recognised	-	(19,753)
Adjustments in respect of prior years	1,114	(1,918)
Effect of change in corporation tax rate	1,024	-
Permanent capital allowances in excess of depreciation	713	(48,291)
Depreciation on assets not qualifying for tax allowances	(1,222)	44,272
Amortisation on assets not qualifying for tax allowances	-	85,676
Other non-reversing timing differences	(346)	-
Other permanent differences	(2,701)	-
Trade intangible fixed assets debits on capital items	-	(85,676)
Deferred taxation movement	-	7,958
Other tax adjustments	-	(491)
	<u> </u>	<u> </u>
Tax expense for the year	1,599	6,040
	<u> </u>	<u> </u>

Premier Rugby Limited

Notes to the financial statements (continued)
For the year ended 30 June 2017

10 Tangible fixed assets

	Office equipment
	£
Cost	
At 1 July 2016	229,036
Additions	2,775
	<hr/>
At 30 June 2017	231,811
	<hr/>
Depreciation and impairment	
At 1 July 2016	110,543
Depreciation charged in the year	26,070
	<hr/>
At 30 June 2017	136,613
	<hr/>
Carrying amount	
At 30 June 2017	95,198
	<hr/> <hr/>
At 30 June 2016	118,493
	<hr/> <hr/>

11 Fixed asset investments

	2017	2016
	£	£
Unlisted investments	53	53
	<hr/> <hr/>	<hr/> <hr/>

Premier Rugby Limited has a 50% interest in Premier Rugby Partnership Limited, a company incorporated within the UK, in common control with the Professional Rugby Players Association. The company has no significant trade in the year and the results of Premier Rugby Partnership Limited are not consolidated with those of Premier Rugby Limited.

Premier Rugby owns 100% of the issued share capital of Premier Rugby Travel Limited and Premiership Rugby Limited. Both of these companies were dormant throughout the year.

Notes to the financial statements (continued)
For the year ended 30 June 2017

11 Fixed asset investments (continued)

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 July 2016 & 30 June 2017	53
	<hr/>
Carrying amount	
At 30 June 2017	53
	<hr/>
At 30 June 2016	53
	<hr/>

12 Intangible fixed assets

	Intangible assets £
Cost	
At 1 July 2016	388,091
Additions	135,735
	<hr/>
At 30 June 2017	523,826
	<hr/>
Amortisation and impairment	
At 1 July 2016	209,312
Amortisation charged for the year	115,247
	<hr/>
At 30 June 2017	324,559
	<hr/>
Carrying amount	
At 30 June 2017	199,267
	<hr/>
At 30 June 2016	178,779
	<hr/>

12 Intangible fixed assets (continued)

Intangible fixed assets include legal costs capitalised in respect of the agreement between Premier Rugby Limited and the Rugby Football Union, the agreement between Premier Rugby Limited and the Professional Rugby Players Association and legal costs incurred securing sponsorship contracts.

The assets are valued at invoice value and amortised over their useful economic life; which is 4 years in respect of the Heads of Agreement, 3 years for other legal agreements, and the length of the contract for other capitalised costs. The directors undertake an annual review of these assets as required under section 18 of FRS 102 and consider that no provision for impairment is necessary.

13 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	18,241,337	22,353,911
Amounts due from group undertakings	-	15,891
Other debtors	593	497,322
Prepayments and accrued income	4,984,670	7,511,006
	<u>23,226,600</u>	<u>30,378,130</u>

14 Financial instruments

	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	18,241,930	22,867,124
Equity instruments measured at cost less impairment	53	53
	<u>18,241,983</u>	<u>22,867,177</u>
Carrying amount of financial liabilities		
Measured at fair value through profit or loss		
- Other financial liabilities	-	583,579
Measured at amortised cost	4,843,488	7,630,402
	<u>4,843,488</u>	<u>8,213,981</u>

Premier Rugby Limited

Notes to the financial statements (continued)

For the year ended 30 June 2017

15 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	16	381,191	5,952,477
Trade creditors		3,836,069	1,606,510
Corporation tax		3,517	-
Other taxation and social security		1,519,748	2,542,417
Derivative financial instruments		-	583,579
Other creditors		626,228	71,415
Accruals and deferred income		18,101,192	20,671,373
		<u>24,467,945</u>	<u>31,427,771</u>

16 Loans and overdrafts

	2017 £	2016 £
Bank loans	-	1,500,000
Bank overdrafts	381,191	4,452,477
	<u>381,191</u>	<u>5,952,477</u>
Payable within one year	<u>381,191</u>	<u>5,952,477</u>

The overdraft is secured by way of debenture on the bank's standard form, dated 27 July 2005. It is repayable on demand.

17 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	18	11,455	11,455
		<u>11,455</u>	<u>11,455</u>

Notes to the financial statements (continued)
For the year ended 30 June 2017

18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Tax losses	11,455	11,455

There were no deferred tax movements in the year.

It is not possible to fully quantify the expected reversal of deferred tax assets and liabilities in the year to 30 June 2018.

A deferred tax asset in relation to accumulated losses available for tax relief is not recognised on the basis that it is not expected that the deferred tax asset will be recoverable.

19 Retirement benefit schemes

	2017 £	2016 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	89,507	48,943

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.

Premier Rugby Limited

Notes to the financial statements (continued) For the year ended 30 June 2017

20 Share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
495 Redeemable "A" shares of £1 each	495	500
480 Ordinary "B" shares of £1 each	480	480
1040 "P" shares of £1 each	1,040	1,040
	<u>2,015</u>	<u>2,020</u>

"A" shares are transferrable in accordance with the shareholders' agreement. In the event of a winding up they are the first shareholding to gain an entitlement to assets and liabilities.

"B" shares allow the employment of powers in relation to the proportion held to make sure the Company continues its business to ensure that:

- The company carries on and conducts its business and affairs in a proper and efficient manner and for its own benefit;
- The company completes all business transactions at arm's length;
- The company shall follow policies, make decisions and carry out all transactions within the scope of benefits laid out by the directors and according to the policies laid down by them;
- Appropriate accounting and financial information will be provided by and for the directors.

"B" shares are only available to participants within Premiership Rugby during the appropriate season.

"P" income and capital shares are entitled to 25% of the company's distributable income.

21 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:

	2017 £	2016 £
Within one year	114,615	76,760
Between two and five years	458,460	-
In over five years	487,114	-
	<u>1,060,189</u>	<u>76,760</u>

Premier Rugby Limited

Notes to the financial statements (continued) For the year ended 30 June 2017

22 Related party transactions

At 30 June 2017 the company was owed £nil (2016: £66,196) by Premiership Rugby Partnership Limited, a company in which it has a 50% stake.

At 30 June 2017 the company owed £nil (2016: £50,305) to the Rugby Facilities Foundation. Premier Rugby Limited owns a 100% stake in the Rugby Facilities Foundation.

No director had any direct interest in the shares of the company. The Board of Directors represent the Premiership rugby clubs who own, and receive distributions from, Premier Rugby Limited. The interests of the directors in the Premiership clubs can be found in the financial statements of the individual clubs concerned.

23 Cash generated from operations

	2017 £	2016 £
Profit for the year after tax	-	-
Adjustments for:		
Taxation charged	1,599	6,040
Finance costs	154,676	218,595
Investment income	(1,279)	(401)
Amortisation and impairment of intangible assets	115,247	85,676
Depreciation and impairment of tangible fixed assets	26,070	44,271
Movement on derivatives held at FVTPL	(583,579)	583,579
Movements in working capital:		
Decrease/(increase) in debtors	7,151,530	(6,247,808)
(Decrease)/increase in creditors	(808,478)	9,273,640
Cash generated from operations	<u>6,055,786</u>	<u>3,963,592</u>