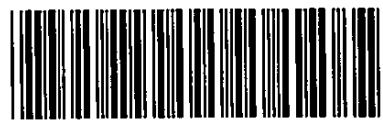


VERNONS FINANCIAL SERVICES LIMITED
(Registered No 2122895)

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2010

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VERNONS FINANCIAL SERVICES LIMITED
REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

	Page
CONTENTS	
Report of the Directors	1 - 2
Independent Auditors Report	3
Profit and Loss Account	4
Balance Sheet	5
Statement of Accounting Policies	6
Notes to the Financial Statements	7 - 8

VERNONS FINANCIAL SERVICES LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of the Company, for the year to 31 December 2010

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Company markets a range of financial services products. Vernons Financial Services is an appointed introducer of a number of financial services suppliers, including AXA Sunlife and UNAT, and has a credit licence from the Office of Fair Trading. The directors consider the results for the year and the state of the Company's affairs at 31 December 2010 to be satisfactory. Future prospects are considered reasonable

KEY PERFORMANCE INDICATORS

The Group's operations are managed on a divisional basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of Sportech plc, which includes the Company, is discussed in the Business and Financial Review of the Group's Annual Report for the year ended 31 December 2010 which does not form part of this report

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £50,000 (2009: £51,000). No dividends were paid during the year (2009: £nil)

DIRECTORS

The Directors who held office during the year were,

Mr. S P Cunliffe

Mr I R Penrose

The directors had no interest in the share capital of the company. During the period no remuneration or benefits of any kind were received by any director from the company

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make 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

VERNONS FINANCIAL SERVICES LIMITED

REPORT OF THE DIRECTORS (continued)

DIRECTORS' RESPONSIBILITIES STATEMENT (continued)

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

DIRECTORS' THIRD-PARTY INDEMNITY PROVISIONS

During the year, indemnity insurance was provided to the Directors. No claim was made under this provision.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Each director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy are subject to a number of risks. The principal risks that the Company faces relate to continuing customer attrition in the football pools market and ongoing changes in gaming regulation.

To mitigate these risks the directors are continually focused on improvements in the product, technology and distribution aspects of the business with significant progress having been made in 2010 and further progress expected to be made in the foreseeable future.

FINANCIAL RISK MANAGEMENT

The Directors manage financial risk at a group level across the whole business. The financial risk management policies and objectives of Sportech plc, which includes the Company, are discussed in note 24 of the Group's Annual Report for the year ended 31 December 2010 which does not form part of this report.

POLICY ON PAYMENT OF CREDITORS

The company does not follow any code or standard on payment practices, and there is no fixed policy for payment of other goods and services. Payment is made promptly once authorisation of the invoice is obtained.

There were no trade creditors outstanding at 31 December 2010 (2009: £nil)

AUDITORS

A resolution to re-appoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

BY ORDER OF THE BOARD



Steve Cunliffe
Secretary
LIVERPOOL
24 March 2011

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VERNONS FINANCIAL SERVICES LIMITED

We have audited the financial statements of Vernons Financial Services Limited for the year ended 31 December 2010, which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes. These financial statements have been prepared under the accounting policies set out therein. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, set out on page 1, 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 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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.



Randal Casson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Liverpool
24 March 2011

VERNONS FINANCIAL SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £000	2009 £000
TURNOVER		71	71
Administrative expenses		(1)	-
OPERATING PROFIT		<u>70</u>	<u>71</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1	70	71
Taxation	2	(20)	(20)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	6	<u>50</u>	<u>51</u>

There is no difference between the profit on ordinary activities before taxation, and the profit for the year stated above, and their historical cost equivalents.

The company has no other recognised gains or losses other than the profit for the financial year shown above, and therefore no separate statement of total recognised gains and losses has been presented

All turnover and profit are earned in the United Kingdom All operations are classed as continuing.

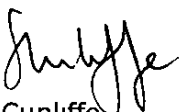
VERNONS FINANCIAL SERVICES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2010

	Note	2010 £000	2009 £000
CURRENT ASSETS			
Prepayments and accrued income	3	250	198
Cash at bank		-	-
		<u>250</u>	<u>198</u>
CREDITORS			
Amounts falling due within one year	4	<u>(85)</u>	<u>(83)</u>
NET ASSETS		<u>165</u>	<u>115</u>
CAPITAL AND RESERVES			
Called up share capital	5	-	-
Profit and loss account	6,7	<u>165</u>	<u>115</u>
EQUITY SHAREHOLDER'S FUNDS	7	<u>165</u>	<u>115</u>

The financial statements on pages 4 to 8 were approved by the Board of Directors on 24 March 2011 and signed on their behalf by


Steve Cunliffe
Director

VERNONS FINANCIAL SERVICES LIMITED

STATEMENT OF ACCOUNTING POLICIES

PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

BASIS OF ACCOUNTING

The Company's accounting reference date is 31 December. Consistent with the normal monthly reporting process, the actual date to which the balance sheet has been drawn up is to 3 January 2011 (2009: 3 January 2010). For ease of reference in these financial statements all references to the results for the year are to 31 December 2010 and the financial position at 31 December 2010

TURNOVER

Turnover represents commission earned from the marketing of financial service products.

All turnover is earned in the UK.

CASH FLOW

The company is a wholly owned subsidiary of Sportech Plc, a company registered in the UK, and the cash flows of the company are included in the publicly available consolidated cash flow statement of that company. Consequently, the company is exempt under the terms of FRS 1 "Cash flow Statements (revised 1996)" from publishing a cash flow statement

FOREIGN CURRENCIES

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Profits and losses on foreign exchange transactions are taken through the profit and loss account in the period in which they arise.

RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS 8, 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by Sportech Plc, whose accounts are publicly available.

CURRENT TAXATION

Corporation tax payable is provided on taxable profits at the applicable rate during the year (28%)

VERNONS FINANCIAL SERVICES LIMITED

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

1 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2010 £000	2009 £000
Profit on ordinary activities before taxation is after interest receivable of £nil (2009: £nil)		
Audit fees have been borne by the ultimate Parent company		
There are no staff employed by Vernons Financial Services Limited	70	71

2. TAXATION

	2010 £000	2009 £000
Current year		
Profit on ordinary activities before taxation	70	71
UK Corporation tax at 28% (2009: 28%)	20	20

The current tax for the period is line with (2009: in line with) the standard rate of corporation tax in the UK of 28% (2009: 28% average standard rate).

Future tax charges will be affected by the decrease in the rate of corporation tax to 27% in April 2011.

3. DEBTORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £000	2009 £000
Amounts owed by group undertakings	240	198
Prepayments and accrued income	10	-
	250	198

4 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £000	2009 £000
Trade creditors	-	7
Amounts owed to group undertakings	85	76
Taxation	-	-
	85	83

5 CALLED UP SHARE CAPITAL

	2010 £	2009 £
Authorised		
1000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

VERNONS FINANCIAL SERVICES LIMITED

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

6 RESERVES

	2010 Profit and Loss Reserve £000	2009 Profit and Loss Reserve £000
1 January 2010	115	64
Retained profit for the financial year	50	51
31 December 2010	<u>165</u>	<u>115</u>

7. EQUITY SHAREHOLDERS FUNDS

	2010 £000	2009 £000
At 1 January	115	64
Profit for the year	50	51
At 31 December	<u>165</u>	<u>115</u>

8 ULTIMATE PARENT COMPANY

The Company is a subsidiary of The Football Pools Limited (formerly Littlewoods Promotions Limited), incorporated in Great Britain

The ultimate parent company is Sportech PLC. The directors regard Sportech PLC as the ultimate controlling party. Copies of Sportech PLC consolidated financial statements can be obtained from the Company Secretary at Walton House, Charnock Road, Liverpool L67 1AA, United Kingdom.