

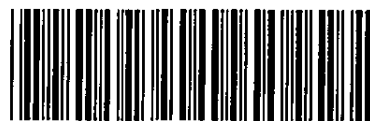
Company Registration No. 57186

**TOTTENHAM HOTSPUR FOOTBALL
AND ATHLETIC CO. LIMITED**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

FRIDAY



LRP16HU0

L15

26/02/2010

52

COMPANIES HOUSE

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	6
Independent auditors' report	7
Profit and loss account	9
Balance sheet	10
Notes to the accounts	11

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD 01/07/08 TO 30/06/09

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D P Levy
M J Collecott
P J Barber
D Comolli (resigned 31 October 2008)
D Cullen

SECRETARY

M J Collecott

REGISTERED OFFICE

Bill Nicholson Way
748 High Road
London
N17 0AP

BANKERS

HSBC Bank plc
70 Pall Mall
London
SW1Y 5EZ

SOLICITORS

CKFT Solicitors
25-26 Hampstead High Street
London
NW3 1QA

AUDITORS

Deloitte LLP
Chartered Accountants
London

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

DIRECTORS' REPORT (CONTINUED)

The Directors present their report and the audited financial statements for the year ended 30 June 2009

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of Tottenham Hotspur Football & Athletic Co Ltd ("the Company") is the operation of a professional football club. The Company derives its income principally from managing the provision of football entertainment for White Hart Lane Stadium Limited.

Under the terms of a management agreement, the Company manages the provision of football entertainment at the White Hart Lane Stadium, for White Hart Lane Stadium Limited, for which it charges a management fee.

Under the terms of a management agreement, the parent company provides head office and training facilities, and other services to the Company for which it charges hire and management fees.

The Club progressed well in all competitions during the year.

The commercial activities of the Club continued to produce substantial income. The Directors expect the Company to continue to trade profitably before taking into account the amortisation and disposal of player registrations.

Turnover

This year the Club has yet again attained record revenue, rising by 2% to £105.1m (2008: £102.9m).

The Club reached the Carling Cup final for the second successive year and progressed through the group stages of the UEFA Cup. There was also a fourth round defeat in The FA Cup. In total, the cup competitions raised £2.7m (2008: £3.4m) in gate receipts from away games and prize monies.

Media and broadcasting revenues increased by 11% to £44.8m (2008: £40.3m). This gain is partly attributable to a higher merit fee award based on our final League position of eighth compared to eleventh the previous season but also the number of times the Club featured in live televised games, which has increased on the prior year, giving the brand increasing global exposure and securing the Club as one of the most televised clubs in the Premier League. The addition of ESPN as a media partner of the Premier League further strengthens the underlying covenant of future revenues.

Operating expenses (excluding football trading)

Operating expenses before football trading rose by £10.8m to £93.9m in the year. Player salaries have risen due in part to the investments made in the squad in January. Unrealised foreign exchange differences that result from the weakening of Sterling against the Euro and significant one-off costs incurred relating to the restructuring of coaching staff also contributed to the increase in operating expenses. Other operating costs through all departments were reduced during the year reflecting the Club's ongoing and prudent cost control policies which were enhanced by a complete review of all departmental budgets during the year.

Football trading

During the financial year the following players joined the Club: Luka Modric, Giovanni Dos Santos, Heurelho Gomes, David Bentley, Vedran Corluka, Cesar Sanchez, Roman Pavlyuchenko, Wilson Palacios, Carlo Cudicini, John Bostock, Paul-Jose M'Poku Ebunge and Mirko Ranieri whilst Jermain Defoe, Pascal Chimbonda and Robbie Keane all re-signed. The total cost of all of these players was £119.3m.

Radek Cerny, Joe Martin, Robbie Keane, Dimitar Berbatov, Pascal Chimbonda, Teemu Tainio, Steed Malbranque, Younes Kaboul, Anthony Gardner, Paul Robinson, Tommy Forecast, Young-Pyo Lee, Hossam Ghaly, Dag Olsen and Cesar Sanchez left during the year for a combined sale price of £72.5m.

Since the year end we have boosted our squad with the following signings: Peter Crouch, Sebastien Bassong, Niko Kranjcar, Kyle Naughton, Kyle Walker, James Walker and Younes Kaboul at a cost of £36.0m.

The following players have left since the year end: Didier Zokora, Chris Gunter, Gilberto, Yuri Berchiche, Darren Bent, Pascal Chimbonda, Kevin-Prince Boateng, Tomas Pekhart and Troy Archibald-Henville for combined transfer fees of £21.4m.

Profit before taxation

The overall result of the above is a profit before taxation of £29.9m (2008: loss of £0.5m).

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

DIRECTORS' REPORT (CONTINUED)

Taxation

The Company has incurred a tax charge of £2,000 in the current year compared to a £7.0m credit for the prior year. Therefore profit after tax is £29.9m.

RISKS AND OPPORTUNITIES

The Company is exposed to a range of risks and uncertainties which have the potential to affect the long-term performance of the Group. Risks are monitored by the Board on a continual basis and the Group seeks to mitigate the risks wherever possible.

The Club is reliant on the Premier League brand and exposed to the external governing bodies of The FA, UEFA and FIFA. Clearly any changes in these bodies can affect our business model.

The continued success of the First Team in the League, European and domestic cup competitions is an important factor in securing the long-term stability of the Company. This is especially true given the significant increase in income generated from TV revenues under the central FAPL TV deal.

Our ambitions in these competitions can be achieved with the continued commitment of the playing staff, the football management team and our supporters. Our approach to nurturing both home grown talent and acquisitions through the transfer market will help the team to secure future success on the pitch.

There is always continued upward pressure on player costs and salaries, which continue to require significant cash outflows. Accordingly, the challenge for the Club continues to be to locate players of both quality and value through the transfer market and Academy.

OUTLOOK

We believe that the Club has continued to build a strong platform for the future through continued investment in the team, in the infrastructure of the Club and through the progress of the Training Centre.

We continue to explore new opportunities in order to broaden our range of income streams both nationally and internationally. This continued diversification of our income streams will help to ensure the Company is financially robust and increases our stability.

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

DIRECTORS' REPORT (CONTINUED)

DIVIDENDS AND RESULTS

The Directors do not recommend the payment of a dividend (2008 - £nil) The Company made a profit after tax for the year of £29,873,000 (2008 - £6,560,000)

DIRECTORS AND THEIR INTERESTS

The Directors who served throughout the year, except as noted, were as follows

D P Levy
M J Collecott
P J Barber
D Comolli (resigned 31 October 2008)
D Cullen

There are no Directors' interests in the share capital of the company that are required to be disclosed

CONTINGENT ASSETS AND LIABILITIES AND POST BALANCE SHEET EVENTS

Details are included in notes 20 and 21 to the accounts

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the Company's business the only financial risks that the directors consider relevant to the Company are interest rate risk, currency risk and cash flow risk.

The Company addresses cash flow risk carefully, managing its working capital inflows and outflows. The Company hedges its interest exposure by using fixed interest rate facilities where it is deemed appropriate. The Company is exposed to foreign currency exchange risk through its player transactions but manages its working capital inflows and outflows to minimise any material foreign exchange risk. The Company does not enter into complex financial instruments for speculative purposes.

DONATIONS

During the year ended 30 June 2009 the Company made charitable donations of £26,450 (2008 - £50,000). There were no political donations during the year (2008 - £nil). The group, headed by Tottenham Hotspur plc, makes many contributions of Tottenham memorabilia to registered charities, especially in the Tottenham catchment area.

EMPLOYEES

It remains the policy of the Company to provide employees with information on matters of concern to them and to keep them informed about the progress and performance of the Company and, where applicable, of the group. This is achieved through formal and informal staff meetings and regular bi-monthly meetings of an Employee Advisory Committee.

Applications for employment by disabled persons are always fully considered in the light of the respective skills and abilities of those concerned. Training and career development for such a person would, wherever possible, be similar to that of a person fortunate enough not to suffer from a disability. Furthermore, there is a permanent health insurance policy which covers the majority of UK staff whereby, if they suffer an illness or injury which renders them unable to continue employment, they continue to receive a substantial proportion of their remuneration.

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

DIRECTORS' REPORT (CONTINUED)

POLICY ON PAYMENT OF CREDITORS

The Company's policy on payment of creditors is to settle payment terms when agreeing the terms of each transaction. In the majority of cases this involves payment within thirty days of the invoice date, however, where discounts are available it is generally the policy to pay earlier and benefit accordingly. Trade creditors at 30 June 2009 represented 28 days of annual purchases (2008 – 21 days). This figure excludes creditors in respect of player purchases which are paid on the date payment is contractually due.

AUDITORS

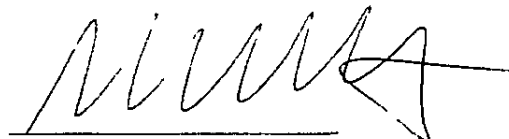
Each of the persons who is a Director at the date of approval of this report confirms that

- 1 So far as the Director is aware, there is no relevant audit information of which the Company's auditors are not aware, and
- 2 The director has taken all steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

A resolution to re-appoint Deloitte LLP as the Company's auditors was proposed and passed at the Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



M J. Collecott

Secretary

26 February 2010

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

United Kingdom 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, and
- 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 proper accounting records which 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

We have audited the financial statements of Tottenham Hotspur Football & Athletic Co Limited for the year ended 30 June 2009 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 23. 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).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2009 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED (CONTINUED)

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



Nigel Mercer (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditors

London, United Kingdom

26 February 2010

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2009

2009				
	Note	Operations, excluding football trading *	Football trading *	2008 Total
		£'000	£'000	£'000
				(note 2)
TURNOVER	3	105,146	-	105,146
Operating expenses	4	(91,964)	(35,367)	(127,331)
OPERATING PROFIT / (LOSS)	5	13,182	(35,367)	(22,185)
Profit on disposal of intangible fixed assets	8	-	54,038	54,038
PROFIT FROM OPERATIONS		13,182	18,671	31,853
Net finance costs	9	(1,978)	-	(1,978)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		11,204	18,671	29,875
Tax (charge)/credit on profit/(loss) on ordinary activities	10			(2)
RETAINED PROFIT FOR THE FINANCIAL YEAR	17			29,873
				6,560

**Football trading represents the amortisation, impairment, and the profit or loss on disposal of intangible fixed assets and other football trading related income and expenditure*

The above results for the current and prior year all derive from continuing operations

There were no gains or losses in either year other than the profit for the year, and accordingly no statement of total recognised gains and losses is presented

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

BALANCE SHEET

AS AT 30 JUNE 2009

	Note	2009 £'000	2008 £'000
FIXED ASSETS			
Intangible assets	11	128,432	65,233
CURRENT ASSETS			
Stock		362	387
Debtors			
- due within one year		37,067	33,628
- due after one year		1,180	7,384
Total debtors	12	38,247	41,012
Cash at bank and in hand		19,588	36,219
		57,835	77,618
CREDITORS: amounts falling due within one year	13	(104,947)	(107,466)
NET CURRENT LIABILITIES		(47,112)	(29,848)
TOTAL ASSETS LESS CURRENT LIABILITIES		81,682	35,385
CREDITORS: amounts falling due after more than one year	14	(35,769)	(14,954)
PROVISIONS FOR LIABILITIES AND CHARGES	15	(1,211)	(5,602)
NET ASSETS		44,702	14,829
CAPITAL AND RESERVES			
Called up share capital	16	54	54
Share premium	17	1,083	1,083
Profit and loss account	17	43,565	13,692
SHAREHOLDERS' FUNDS	18	44,702	14,829

The financial statements of Tottenham Hotspur Football and Athletic Co. Limited, registered number 57186, were approved by the Board of Directors and authorised for issue on 26 February 2010.

Signed on behalf of the Board of Directors



M J. Collecott

Director

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

1. ACCOUNTING POLICIES

Basis of preparation

The Company has net current liabilities at 30 June 2009. The Board of Directors continually monitor the Group's exposure to a range of risks and uncertainties, including the success of the First Team and our level of spending thereon, and the current economic downturn. The financial statements have been prepared on a going concern basis because the parent company, Tottenham Hotspur plc, stated that it will provide the necessary financial support to the Company for the period of at least 12 months from the date these accounts are signed. The parent company directors prepare budgets and forecasts and have produced detailed and realistic cash flow projections which are reviewed on an ongoing basis. These demonstrate that the parent company has the financial capability to satisfy this obligation.

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and preceding financial year, are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Cash flow statement

Under the provisions of Financial Reporting Standard 1 (Revised) the Company has not presented a cash flow statement, as its ultimate parent company, Tottenham Hotspur plc, a company registered in England and Wales, prepares consolidated financial statements which include the results of the Company and contain a cash flow statement.

Turnover

Turnover represents television income, sponsorship income and management fees receivable exclusive of VAT.

Sponsorship and similar commercial income is recognised over the duration of the respective contracts. The fixed element of broadcasting revenues is recognised over the duration of the football season whilst facility fees received for live coverage or highlights are taken when earned. Merit awards are accounted for only when known at the end of the football season.

Football trading

The costs associated with the acquisition of player and key football management staff registrations are capitalised as intangible fixed assets. Any intangible assets acquired on deferred terms are recorded at the fair value at the date of acquisition. The fair value represents the net present value of the costs of acquiring players and key football management staff registrations. These costs are fully amortised on a straight line basis over their useful economic lives, in equal annual instalments over the period of the respective contracts. Where a contract life is renegotiated the unamortised costs, together with the new costs relating to the contract extension, are amortised over the term of the new contract. Under the conditions of certain transfer agreements, further fees will be payable to the vendors in the event of the players concerned making a certain number of First Team appearances or on the occurrence of certain other specified future events. Liabilities in respect of these additional transfers are accounted for, as provisions, when it becomes probable that the number of appearances will be achieved or the specified future events will occur.

Provision is made for any impairment of the carrying value of the playing squad should the carrying value of the squad as a whole exceed the amount recoverable from the squad as a whole through use or sale, and where the reduction in value is considered permanent.

Where a player is not considered to be part of the playing squad a provision for impairment would be made if the individual player's carrying value exceeds the amount recoverable through use or sale and where the reduction in value is considered permanent.

Profits or losses on the disposal of these registrations represent the fair value of the consideration receivable, net of any transaction costs, less the unamortised cost of the original registration.

Remuneration of players is charged in accordance with the terms of the applicable contractual agreements and any discretionary bonus when there is a legal or contractual obligation.

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

1 ACCOUNTING POLICIES (continued)

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling and recorded at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the exchange rates ruling on the balance sheet date. Translation differences are dealt with in the profit and loss account.

Pension costs

Payments are made to the external defined contribution pension schemes of eligible employees of the Company. The pension cost charged in the year represents contributions payable by the Company to these schemes.

In addition the Company is making contributions in respect of its share of the deficit of the defined benefit section of the Football League Pension and Life Assurance Scheme (the "Scheme"). A provision has been established for the group's share of the deficit which exists in this section of the Scheme.

Under the provisions of FRS 17 "Retirement Benefits" the Scheme would be treated as a defined benefit multi-employee scheme. The Scheme's actuary has advised that the participating employers' share of the underlying assets and liabilities, cannot be identified on a reasonable and consistent basis, and accordingly no disclosures are made under the provisions of FRS 17.

2 ANALYSIS OF COMPARATIVE PROFIT AND LOSS ACCOUNT

	Operations excluding football trading £'000	Football trading £'000	Total £'000
Turnover	102,880	-	102,880
Operating expenses	(83,183)	(37,963)	(121,146)
Operating profit/(loss)	19,697	(37,963)	(18,266)
Profit on disposal of registrations	-	17,788	17,788
Profit/(loss) before interest and taxation	19,697	(20,175)	(478)

3. TURNOVER

Turnover, which all derives from the Company's principal activity, is analysed as follows:

	2009 £'000	2008 £'000
Turnover comprises:		
Gate receipts – cup competitions	2,715	3,412
Sponsorship and corporate hospitality	16,498	16,898
Media and broadcasting	44,811	40,329
Management fee receivable	36,478	34,556
Other	4,644	7,685
	<u>105,146</u>	<u>102,880</u>

All turnover derives from activities in the United Kingdom and is exclusive of VAT.

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

4. OPERATING EXPENSES

	2009 £'000	2008 £'000
Staff costs	59,062	50,893
Amortisation, impairments and other net football trading income and expenditure	36,367	37,963
Other operating costs	31,902	32,290
	<u>127,331</u>	<u>121,146</u>

5. OPERATING PROFIT / (LOSS)

	2009 £'000	2008 £'000
Operating profit / (loss) is stated after charging:		
Amortisation and impairment of intangible fixed assets	37,288	38,260
Charitable donations	26	50
Stadium hire and management fees	<u>6,594</u>	<u>8,076</u>

The audit fee of £20,000 (2008 £20,000) is borne by another group company in the current year and prior year. No fees were paid to the Company's auditors or affiliated entities, relating to other services, during the year. Refer to the Tottenham Hotspur plc financial statements for full disclosure of fees payable to auditors.

6. STAFF NUMBERS AND COSTS

	2009 No.	2008 No.
The average number of employees (including Directors) during the year was as follows		
Players and football administration staff	148	135
Administration staff	<u>91</u>	<u>89</u>
	<u>239</u>	<u>234</u>
The aggregate payroll costs of these employees (including Directors) was as follows	£'000	£'000
Wages, salaries and bonuses	52,268	45,632
Social security costs	6,423	5,200
Other pension costs	<u>371</u>	<u>61</u>
	<u>59,062</u>	<u>50,893</u>

In addition the Company employs on average 577 temporary staff on matchdays (2008 – 570). In addition to the above payroll costs, redundancy costs of £2,098,935 (2008 - £53,750) were also charged to the profit and loss account during the year.

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

7. DIRECTORS' EMOLUMENTS

The emoluments of the Directors of the Company who are not remunerated by the parent company, for the year were £823,393 (2008 - £1,668,343). Details of the emoluments of the Directors of the Company who are remunerated by the parent company are included in the Tottenham Hotspur plc annual report. It is not practicable to allocate this between their services as Directors of Tottenham Hotspur plc and Tottenham Hotspur Football & Athletic Co. Limited.

Details of the remuneration of the Directors who are not remunerated by the parent company are shown below

	2009 £'000	2008 £'000
Salary	649	900
Bonus	146	738
Benefits in kind	28	30
Total emoluments	823	1,668
Pension	31	28
Total remuneration	854	1,696

8. PROFIT ON DISPOSAL OF INTANGIBLE FIXED ASSETS

	2009 £'000	2008 £'000
Proceeds	72,887	24,044
Net book value of disposals	(18,849)	(6,256)
	54,038	17,788

9. NET FINANCE COSTS

	2009 £'000	2008 £'000
Net notional interest expense on deferred payments for players' registrations	1,978	-

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

10. TAX CHARGE/(CREDIT) ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	2009 £'000	2008 £'000
UK corporation tax	-	(2,277)
Adjustment in respect of prior years	230	(4,978)
Group relief in respect of prior years	-	219
	<hr/>	<hr/>
Current tax charge/(credit)	230	(7,036)
Origination and reversal of timing differences	(228)	(8)
Adjustment in respect of prior years	-	6
	<hr/>	<hr/>
Deferred tax credit	(228)	(2)
	<hr/>	<hr/>
Total tax charge/(credit) on ordinary activities	2	(7,038)
	<hr/>	<hr/>

Reconciliation of the current tax charge/(credit)

	2009 £'000	2008 £'000
Profit/(Loss) on ordinary activities before taxation	29,875	(478)
	<hr/>	<hr/>
Tax on profit/(loss) on ordinary activities before taxation at the UK statutory rate of 28% (2008 – 29.5%)	(8,365)	(141)
Effect of		
Adjustment in respect of prior years	230	(4,759)
Rollover relief	8,363	(2,178)
Capital allowances in excess of depreciation	-	(11)
Other permanent differences	-	-
Non-deductible expenditure	2	53
	<hr/>	<hr/>
Total current year corporation tax	230	(7,036)
	<hr/>	<hr/>

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

11. INTANGIBLE FIXED ASSETS

	£'000
Cost of registrations	
At 1 July 2008	125,626
Additions	119,336
Disposals	(47,840)
At 30 June 2009	197,122
Amortisation and impairment of registrations	
At 1 July 2008	60,393
Charged in year – amortisation	37,288
Disposals	(28,991)
At 30 June 2009	68,690
Net book value of registrations	
At 30 June 2009	128,432
At 30 June 2008	65,233

12. DEBTORS

	2009 £'000	2008 £'000
Trade debtors	27,924	25,372
Corporation tax	5,556	5,031
Other debtors	976	3,137
Prepayments and accrued income	3,099	4,815
Amounts due from group undertakings	426	2,619
Deferred taxation (see note 15)	266	38
	<u>38,247</u>	<u>41,012</u>

Trade debtors above include £25,049,000 (2008 - £16,485,000) in respect of the disposal of players' registrations of which £1,180,000 is receivable after one year (2008 - £6,446,000)

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £'000	2008 £'000
Trade creditors	35,710	20,094
Amounts owed to group undertakings	45,137	60,550
Other tax and social security	3,294	3,255
Other creditors	7,066	3,479
Accruals and deferred income	13,740	20,088
	<u>104,947</u>	<u>107,466</u>

Trade creditors above include £32,507,000 in respect of the acquisition of players' registrations (2008 - £17,728,000)

14. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009 £'000	2008 £'000
Trade creditors	31,868	13,083
Other creditors	3,901	1,871
	<u>35,769</u>	<u>14,954</u>

Trade creditors above are in respect of the acquisition of players' registrations

15. PROVISIONS FOR LIABILITIES AND CHARGES

Contingent transfer fees payable and provisions on player contracts	£'000
At 1 July 2008	5,602
Provided during the year	2,599
Reversed during the year	(332)
Crystallised during the year	<u>(6,658)</u>
At 30 June 2009	<u>1,211</u>
Deferred taxation	£'000
At 1 July 2008	(38)
Credited to the profit and loss account	<u>(228)</u>
At 30 June 2009	<u>(266)</u>

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

16. CALLED UP SHARE CAPITAL

	Number	£'000
Ordinary shares of £1 each		
Authorised:		
At 30 June 2008 and 2009	53,812	54
Called up, allotted and fully paid:		
At 30 June 2008 and 2009	53,812	54

17. RESERVES

	Share premium account £'000	Profit and loss account £'000
At 1 July 2008	1,083	13,692
Profit for the year	-	29,873
At 30 June 2009	1,083	43,565

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £'000	2008 £'000
Profit for the year	29,873	6,560
Opening shareholders' funds/(deficit)	14,829	8,269
Closing shareholders' funds	44,702	14,829

19. PENSIONS

Defined contribution schemes

Certain staff of the Company are members of the Football League Limited Pension and Life Assurance Scheme. Others are members of a self-administered Company money purchase scheme. The assets of these schemes are held separately from those of the Company, being invested with insurance companies. The pension cost charged during the year amounted to £66,000 (2008 - £61,000).

Defined benefit scheme

The Company is advised only of its share of the deficit in the defined benefit section of The Football League Pension and Life Assurance Scheme (the "Scheme"). The most recent actuarial valuation of the Scheme was as at 31 August 2008 and indicated that the contribution required from the Company towards making good this deficit was £290,000 at 1 September 2009. The pension cost charged during the year relating to this deficit was £196,000 (2008 - £nil). At the balance sheet date the Company's share of this deficit was £295,000 (2008 - £127,000).

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

20. CONTINGENT LIABILITIES AND ASSETS

The Company, together with its parent and fellow subsidiaries, has given a multilateral undertaking to its bankers to guarantee the overdrafts of the group companies

At the balance sheet date the group had overdrafts of £nil (2008 - £nil)

Under the terms of certain contracts for the purchase of players' registrations, future payments may be due to third parties, dependent on the success of the team and/or individual players. At the balance sheet date the maximum contingent liability which has not been provided for was £24,188,000 (2008 - £7,288,000)

Under the terms of certain contracts for the sale of players' registrations future receipts may be receivable from third parties, dependent on the success of the team and/or individual players. At the balance sheet date the maximum contingent asset was £12,061,000 (2008 - £5,290,000)

21. POST BALANCE SHEET EVENTS

Since the balance sheet date the following events have occurred

P Crouch was bought from Portsmouth

K Naughton was bought from Sheffield United

K Walker was bought from Sheffield United

S Bassong was bought from Newcastle United

N Kranjcar was bought from Portsmouth

J Walker joined

Y Kaboul was bought from Portsmouth

D Zokora was sold to Sevilla

C Gunter was sold to Nottingham Forest

D Bent was sold to Sunderland

P Chimbonda was sold to Blackburn Rovers

KP Boateng was sold to Portsmouth

Y Berchiche was transferred to Real Valladolid

Gilberto was released

T Pekhart was sold to FK Baumit Jablonec

T Archibald-Henville was sold to Exeter City

Including Football League levies, the uncontingent net costs of these transactions amounted to approximately £14,635,000

The contingent liability from these transactions amounts to approximately £4,770,000 and the contingent asset amounts to approximately £8,134,000

22. ULTIMATE PARENT COMPANY

The ultimate controlling party and immediate parent company is Tottenham Hotspur plc, a company incorporated in Great Britain. The parent undertaking of the largest and smallest groups, which includes the Company, and for which group financial statements are prepared is Tottenham Hotspur plc. Copies of the annual report and accounts of Tottenham Hotspur plc can be obtained from Bill Nicholson Way, 748 High Road, Tottenham, London, N17 0AP

TOTTENHAM HOTSPUR FOOTBALL & ATHLETIC CO. LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2009

23. RELATED PARTY TRANSACTIONS

The Company has applied the exemption granted by paragraph 3(c) of Financial Reporting Standard 8 not to disclose related party transactions with Tottenham Hotspur group companies