

Registration number: 3642327

**BRENTFORD FC LIMITED**  
**GROUP REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2010**

THURSDAY



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**BRENTFORD FC LIMITED**

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2010**

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**BRENTFORD FC LIMITED**

**COMPANY INFORMATION**

**FOR THE YEAR ENDED 31 MAY 2010**

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Directors	G Dyke (Chairman) E B Rogers J P Herting A A Bird D L Merritt D J Heath D J Kerr P A Whall M Chapman
Secretary	L Hall
Company Number	3642327
Registered Office	Griffin Park Braemar Road Brentford Middlesex TW8 0NT
Registrars	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Auditors	Levy + Partners Limited Chartered Accountants and Statutory Auditors 86/88 South Ealing Road Ealing London W5 4QB
Bankers	Barclays Bank PLC 7th Floor United Kingdom House 180 Oxford Street London W1D 1EA

## **BRENTFORD FC LIMITED**

### **CHAIRMAN'S STATEMENT**

**FOR THE YEAR ENDED 31 MAY 2010**

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#### **Chairman's statement**

Our primary goal for the 2009-10 season was to consolidate in League One given that it was our first year back after two seasons in Division Two. We finally achieved this with something to spare, finishing in a creditable ninth position albeit many points away from the sixth position which would have seen the play-offs. Our support at the gate held up fairly well given that for the final few months of the season there was little to play for as we weren't going to be promoted or relegated. Once again I wish to pay tribute to our fan base and the excellent support provided to the team both at Griffin Park and particularly on our travels.

We now have to build on the success of the last two seasons and the board has backed Andy Scott and his management team with further improved contracts and a significant playing budget increase which is the largest ever available to a Brentford manager. The intention is to build a squad capable of challenging for promotion to the Championship and staying there! The team management has an understanding of what this will take both in terms of skills and character from players and staff alike but nobody is suggesting that it will be easy. The quality of the competition and the playing budgets carried by some of our rivals will produce a stern test of the team manager's abilities and his identification of the right transfer targets.

It would not have been possible to be talking about anything other than survival without the continued support and financial backing of Matthew Benham. Supporters will be aware that Matthew reached agreement with Bees United to inject a minimum total £5,000,000 into the club by way of new capital over five successive financial years commencing 1 June 2009 and concluding 31 May 2014. The partnership between Matthew and Bees United was completed during the financial year under report and following approval by shareholders the first £1million tranche was drawn down during the year and converted to Preference Shares. This means that the losses the club ran up in this year, and outlined in this report, were substantially covered in cash from Matthew and that there has been only a small addition to the net debt. The financial stability of the Club is assured through to 2014 which is a situation that very few clubs at any level of football enjoy. Just look what happened to Liverpool. Thanks to Matthew we can look to the future with some degree of confidence.

Rob Esteva resigned from the BFC board on 22 May 2009 following his leaving Smartodds and taking a position with UEFA and in his place we welcomed Phil Whall who formally joined on 24 June 2009 as Matthew Benham's nominee on the BFC board. Phil is the CEO at Matthew's core business and comes with a legal background and a wealth of ideas. Ian Jones who joined the board in January 2006 following the Bees United take over left the board on 1 September 2009 following the repayment of his associated loan and Ian has returned to the USA. We thank him for his wise counsel and he will be a most welcome visitor at Griffin Park anytime he is able to return. Since the end of the financial period under review Bees United has increased its representation on the board to three with Mark Chapman joining on 24 June 2010. We welcome Mark to the board. My personal thanks also to my fellow BFC board members who have given their time and the board is a cohesive unit of varied talents. It is a privilege to be the Chair.

## **BRENTFORD FC LIMITED**

### **CHAIRMAN'S STATEMENT**

#### **FOR THE YEAR ENDED 31 MAY 2010**

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David Heath continued to work as Acting CEO for the first part of the financial year through to 30 September 2009 without salary or expenses and then continued through to 28 February 2010 at a modest salary until handing over to Andrew Mills on 29 March 2010. We are indebted to David Heath for his extraordinary commitment to the Club and we are delighted that he continues as a board director. Andrew Mills was appointed Chief Executive Officer on 29 March 2010. He was well known to the BFC board as he worked for the Club as a Consultant and in that role was instrumental in ensuring that Andy Scott was able to bring in the players targeted. We wish Andrew every success in the post of CEO and he is supported by the formation of an Executive Team which provides advice to the CEO on a daily basis and comprises Andrew Mills, Andy Scott and Alan Bird. The Executive Team is delegated by the BFC board to manage all aspects of the Club but within the constraints of the annual budget approved by the board. We believe that the composition of the Executive Team enables instant decisions where necessary on all major aspects of the Club's activities from administrative and commercial through to team management, player signings and all financial matters. The Executive Team is responsible to the board for the running of the Club and within the parameters set by the available financing and the annual budget.

Turning to financial management the board has taken the decision to run the club between 1 June 2009 and 31 May 2014 at a level of losses commensurate with the capital injections by Matthew Benham and the flexibility provided by the overdraft facilities which remain at £500,000. We believe that this is the correct strategy in a result oriented business and one which provides no risk to the financial security of the Club and without further major diminution of the remaining equity in Griffin Park.

Based upon this strategy Brentford Football Club's accounts for the year under review show an operational loss after interest of £1,728,618 (2009 £422,097) with a net loss (after exceptional items) of £1,226,541 (2009 £427,767). This loss has been financed through the purchase by Matthew Benham of £1,000,000 preference shares and a temporary increase in the overdraft within the agreed facility. The initial playing budget for the season was substantially increased from that which secured the League Two Championship in 2008-09. To ensure comfortable survival the board took the decision at the beginning of January to provide further funds which enabled the extending of the loans to the end of the season of players regarded as key and which we believe was justified by the ninth place finish. Additional and new costs were incurred by the new appointment of a full time Chief Scout and his support team and an increased investment in the Centre Of Excellence where it is proposed to improve the numbers and quality of the coaching, scouting and facilities as a further declaration of the Club's intent to improve and restructure the basic elements and facilities to hopefully ensure a steady stream of talented, home grown players who progress through to the first team squad. We believe that once the structure is in place we shall be able to move the most promising and talented players through from U-9s eventually to the youth team on to the reserve team and then to the first team squad. Supporters will know that we financed the re-establishment of a reserve team last season and this is a further step towards having a vertically integrated structure on the playing side.

# **BRENTFORD FC LIMITED**

## **CHAIRMAN'S STATEMENT**

**FOR THE YEAR ENDED 31 MAY 2010**

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Before a brief note on Lionel Road I wish to thank all Brentford fans for their continued support. These are very difficult economic times and there are many demands on supporter's time and pockets. Your enthusiasm for a Club which has languished in the bottom two divisions for nearly sixty years (bar one season) is remarkable and your board is working hard to ensure that we have the best possible opportunity of delivering on what we all want and that is a financially viable, self-supporting Club playing in a modern stadium and consolidated in the Championship.

### **Lionel Road**

The collapse in the property market and the financial difficulties encountered by Barratts, our partner in the Lionel Road project, have inevitably slowed our plan to build a new stadium at Lionel Road but all is not lost. Hounslow Council are being incredibly helpful and at the time of writing we are investigating a different scheme financed in a different way. I am still optimistic that we will move to a new stadium in my lifetime!!



**G Dyke**  
**Chairman**

**Date: 26 November 2010**

## **BRENTFORD FC LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 MAY 2010**

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The directors present their annual report on the affairs of the group together with the financial statements and auditors' report for the year ended 31 May 2010

#### **Principal activity and review of the business**

The group's principal activity during the year continued to be that of a professional Football League club

The results for the year and financial position of the group are as shown in the annexed financial statements

The group's loss for the year after taxation amounted to £1,226,922 (2009 - Loss £428,442)

Average attendances for the season were 5,985 (2009 - 5,707)

Turnover increased by £65,268 in the year mostly due to higher income from gates and football league and PFA income

Net profit from transfer fees were £501,893 (2009 - Loss £8,774)

In common with other professional clubs competing in the league the principal risk facing the business arises from variable attendances that are closely correlated with playing success

#### **Principal risks and uncertainties**

The key performance indicators detailed above are linked to on the field football performance and League position. The cost base in common with other football clubs is relatively fixed in the short term, hence unfavourable movements in revenue, including those arising from below budget on pitch performance, can lead to significant variation in profits. As for any football club the threat of relegation is also a key business risk and would impact the company both financially and operationally.

#### **Financing risk and going concern**

Directors and senior executives continue to review financing structures and to manage cash flows to ensure that the group remains within its agreed banking facilities and the directors are satisfied that adequate funding arrangements are likely to apply for the next twelve months. The Board continues to maintain a strong relationship with the group's lenders through frequent and open communication. As highlighted in note 14, the group meets its day to day working capital requirements through the overdraft facility which was renewed during October 2010. The next renewal date for the bank facilities is 1 October 2011.

## **BRENTFORD FC LIMITED**

### **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MAY 2010**

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#### **Treasury operations and financial instruments**

The group operates a treasury function that is responsible for managing the liquidity, interest, and foreign exchange risks associated with the group's activities

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability (or equity instrument) in another entity. The group's principal financial instruments include bank overdrafts and loans, used to raise finance for the group's operations, and various other financial assets and liabilities such as trade debtors and trade creditors arising directly from operations.

Financial instruments which the group enters into are principally contracts where a specified amount will be settled at a later date to manage the risks arising from the group's operations. In accordance with the group's treasury policy financial instruments are not entered into for speculative purposes.

#### **Liquidity risk**

The group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the business.

#### **Interest rate risk**

The group policy permits but does not demand that a mix of fixed and variable rate debt is used to reduce exposure to changes in interest rates.

#### **Credit risk**

The group places its cash with creditworthy institutions and performs ongoing credit evaluations of its debtors' financial condition. The carrying amount of cash and debtors represent the maximum credit risk that the group is exposed to.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary.

#### **Environment**

Brentford FC recognises the importance of its environmental responsibilities and endeavours to monitor and minimise its impact on the environment. Initiatives applied to minimise the group's impact on the environment include the safe disposal of waste, recycling and reducing energy consumption.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £1,226,922 (2009 - £428,442). No dividends will be distributed for the year ended 31 May 2010.

#### **Fixed Assets**

Movement in fixed assets are shown in note 9 to the financial statements.



## **BRENTFORD FC LIMITED**

### **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MAY 2010**

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#### **Political and charitable donations**

During the year group made charitable donations of £1,000 (2009 - £Nil)

#### **Directors and their interests**

The directors who served during the year were as follows

G Dyke (Chairman)

E B Rogers

J P Herting

A A Bird

D L Merritt

D J Heath

D J Kerr

P A Whall                      Appointed 24/06/2009

M Chapman                  Appointed 24/06/2010

I G Jones                      Resigned 01/09/2009

#### **Directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK 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 apply them consistently,
- make judgements and 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

# **BRENTFORD FC LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MAY 2010**

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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.

The directors are responsible for 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.

In so far as the directors are aware:

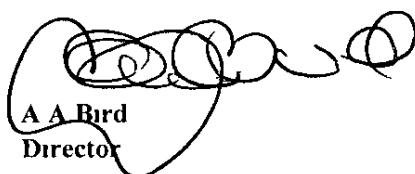
- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information 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 S418 of the Companies Act 2006.

### **Auditors**

Levy + Partners Limited have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming AGM.

This report was approved by the Board on **25-11-2010** and signed on its behalf by

  
**A A Bird**  
Director

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**

### **BRENTFORD FC LIMITED**

**FOR THE YEAR ENDED 31 MAY 2010**

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We have audited the financial statements of Brentford FC Limited for the year ended 31 May 2010 which comprise the group profit and loss account, the group and parent company balance sheets, the group cash flow statement, the group statement of total recognised gains and losses and the related notes on pages 16 - 31. 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 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.

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**

A description of the scope of an audit of financial statements is provided in the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

#### **Opinion on the financial statements**

In our opinion the financial statements

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

#### **Emphasis of Matter - Going Concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in the financial statements concerning the group's ability to continue as a going concern. The group incurred a net loss during the year ended 31 May 2010 and, at that date, the group's current liabilities exceeded its current assets. These conditions, along with other matters as set forth in Note 14 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the group's and company's ability to continue as a going concern. The financial statements do not include any adjustments that would result from a failure to continue as a going concern. Details of the circumstances relating to this emphasis of matter are described in Note 14. Our opinion is not qualified in this respect.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
BRENTFORD FC LIMITED  
FOR THE YEAR ENDED 31 MAY 2010**

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**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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



**Arvind Joshi FCA CTA DChA (Senior Statutory Auditor)  
For and on behalf of Levy + Partners Limited  
Chartered Accountants and Statutory Auditors  
86/88 South Ealing Road  
Ealing  
London  
W5 4QB**

**Date: 25 November 2010**

**BRENTFORD FC LIMITED****GROUP PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MAY 2010**

		<b>2010</b>	<b>2009</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>		3,114,139	3,048,871
Revenue costs		(3,815,542)	(2,764,503)
<b>Gross</b>		(701,403)	284,368
Administrative expenses		(988,622)	(662,203)
<b>Operating loss</b>	<b>2</b>	(1,690,025)	(377,835)
Exceptional items	<b>3</b>	501,893	(8,774)
<b>Loss on ordinary activities before interest</b>		(1,188,132)	(386,609)
Other interest receivable and similar income	<b>4</b>	184	3,104
Interest payable and similar charges	<b>7</b>	(38,593)	(44,262)
<b>Loss on ordinary activities before taxation</b>		(1,226,541)	(427,767)
Tax on loss on ordinary activities	<b>8</b>	-	-
<b>Loss for the year</b>		(1,226,541)	(427,767)
Equity Minority interests	<b>25</b>	(381)	(675)
<b>Loss for the year</b>	<b>19</b>	(1,226,922)	(428,442)
Accumulated loss brought forward		(6,734,345)	(6,305,903)
<b>Accumulated loss carried forward</b>		(7,961,267)	(6,734,345)

All of the Group's activities in the above two financial years relates to continuing operations

**The notes on pages 16 to 31 form an integral part of these financial statements.**

**BRENTFORD FC LIMITED**

**GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

**FOR THE YEAR ENDED 31 MAY 2010**

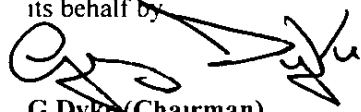
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	<b>Notes</b>	<b>2010 £</b>	<b>2009 £</b>
Loss for the financial year		(1,226,922)	(428,442)
Expenditure on stadium improvements, net of grant receivable	<b>18</b>	-	(8,630)
Total recognised gains and losses relating to the year	<b>20</b>	<u>(1,226,922)</u>	<u>(437,072)</u>

**BRENTFORD FC LIMITED****GROUP BALANCE SHEET****AT 31 MAY 2010**

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	9	10,038,805	10,067,754
<b>Current assets</b>			
Stocks	11	39,519	68,968
Debtors	12	290,165	411,408
Cash at bank and in hand		148,329	64,843
		<u>478,013</u>	<u>545,219</u>
<b>Creditors amounts falling due within one year</b>	13	<u>(2,174,999)</u>	<u>(2,428,713)</u>
<b>Net current liabilities</b>		<u>(1,696,986)</u>	<u>(1 883 494)</u>
<b>Total assets less current liabilities</b>		8,341,819	8,184,260
<b>Creditors amounts falling due after more than one year</b>	14	<u>(7,577,519)</u>	<u>(7,193,419)</u>
<b>Net assets</b>		<u>764,300</u>	<u>990,841</u>
<b>Capital and reserves</b>			
Called up share capital	17	1,002,000	2,000
Revaluation reserve	18	7,721,950	7,721,950
Profit and loss account	19	<u>(7,961,267)</u>	<u>(6,734 345)</u>
<b>Members' funds</b>	20	762,683	989,605
<b>Equity Minority interest</b>	25	<u>1,617</u>	<u>1,236</u>
<b>Total capital employed</b>		<u>764,300</u>	<u>990 841</u>

The financial statements on pages 11 to 31 were approved by the Board on **25-11-2010** and signed on its behalf by

  
**G Dyke (Chairman)**  
**Director**

Company Registration number 3642327

The notes on pages 16 to 31 form an integral part of these financial statements.

**BRENTFORD FC LIMITED**

**COMPANY BALANCE SHEET**

**AT 31 MAY 2010**

		2010		2009	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		10,038,805		10,067,754
Investments	10		99		99
			<u>10,038,904</u>		<u>10,067,853</u>
<b>Current assets</b>					
Stocks	11	39,519		68,968	
Debtors	12	239,596		402,371	
Cash at bank and in hand		5,161		5,350	
		<u>284,276</u>		<u>476,689</u>	
<b>Creditors: amounts falling due within one year</b>	13	(2,142,913)		(2,483,711)	
<b>Net current liabilities</b>			(1,858,637)		(2,007,022)
<b>Total assets less current liabilities</b>			8,180,267		8,060,831
<b>Creditors: amounts falling due after more than one year</b>	14		(7,577,519)		(7,193,419)
<b>Net assets</b>			<u>602,748</u>		<u>867,412</u>
<b>Capital and reserves</b>					
Called up share capital	17		1,002,000		2,000
Revaluation reserve	18		7,721,950		7,721,950
Profit and loss account	19		(8,121,202)		(6,856,538)
<b>Members' funds</b>			<u>602,748</u>		<u>867,412</u>

The financial statements were approved by the Board on 25-11-2010 and signed on its behalf by



G Dyke (Chairman)  
Director

Company Registration number 3642327

The notes on pages 16 to 31 form an integral part of these financial statements



**BRENTFORD FC LIMITED**

**GROUP CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 MAY 2010**

	Notes	2010 £	2009 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating loss		(1,690,025)	(377,835)
Reconciliation to cash generated from operations			
Depreciation		59,972	78,240
Profit / (loss) on disposal of fixed assets		(159)	(301)
(Increase) / Decrease in stocks		29,449	(26,210)
(Increase) / Decrease in debtors		121,243	(110,288)
Increase / (Decrease) in minority shares		381	675
Increase / (Decrease) in creditors		(205,379)	263,583
Net cash outflow from operating activities		(1,684,518)	(172,136)
Return on investments and servicing of finance	22	(38,409)	(41,158)
Minority interest		(381)	(675)
Financing	22	1,000,000	-
Capital expenditure	22	471,029	(34,299)
		1,432,239	(76,132)
(Decrease) / increase in cash in the period		(252,279)	(248,268)
Repayment regarding financing		-	-
	23	(252,279)	(248,268)
(Decrease) / increase in cash in the period	23	(252,279)	(248,268)
Decrease / (increase) in debt and lease financing		-	-
Change in net debt	23	(252,279)	(248,268)
Net debt at 1 June 2009	23	(8,117,468)	(7,869,200)
Net debt at 31 May 2010	23	(8,369,747)	(8,117,468)

# **BRENTFORD FC LIMITED**

## **NOTES TO THE AUDITED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MAY 2010**

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#### **1. Statement of Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The principal accounting policies adopted in the preparation of the financial statements are set out below. They have been applied consistently throughout the year and the preceding year.

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention as modified to include the revaluation of certain fixed assets.

##### **1.2 Basis of consolidation**

The group financial statements consolidate the financial statements of the company and its subsidiary undertaking drawn up to 31 May 2010. The results of subsidiaries acquired are consolidated for periods from or to date on which control passed. Acquisitions are accounted for under the acquisition method.

##### **1.3. Turnover and revenue recognition**

Turnover represents gate receipts and related income, receipts from the Football League and Football Association and sponsorship and promotional income.

The turnover and results before taxation are wholly attributable to the company's principal activities as a professional football club.

The revenue is recognised for the services as the services are performed.

##### **1.4. Going concern**

The company manages its working capital requirement through bank overdraft facilities which are repayable on demand. The current facility is due to be reviewed in October 2011.

The directors have prepared cash flow forecasts for the 12 months to November 2011 which rely upon the continued support of the bank and other committed financing arrangements. On this basis the Directors consider it appropriate to prepare the accounts on the going concern basis, although inherently there can be no certainty with these matters.

The accounts do not include any adjustment that would result in the company being unable to continue as a going concern.

##### **1.5. Intangible fixed assets**

The transfer costs of obtaining the services of a player are capitalised and amortised where relevant on a straight line basis over the period of a related contract. Upon sale, the difference between the transfer fee receivable and the net book value of the related player's contract is taken to the profit and loss account. Where, as a result of injury or other circumstances, the value of a player's contract has suffered a permanent diminution, the carrying value in the accounts is reduced to the directors' estimate of its market value.

## **BRENTFORD FC LIMITED**

### **NOTES TO THE AUDITED FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 MAY 2010**

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##### **1.6. Tangible fixed assets and depreciation**

Depreciation is provided on all tangible fixed assets, other than freehold land and buildings, at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows

Plant and equipment	-	20% on cost
Fixture and fittings	-	25% on cost
Computer equipment	-	25% on cost
Motor vehicles	-	20% on cost

The group's freehold land and buildings at Griffin Park were valued by an independent firm of chartered surveyors on 1 September 2005 using an open market basis and reflecting the grant of conditional planning approval for the redevelopment

The group's freehold land and buildings are maintained in such a condition that its residual value is not diminished by the passage of time. Expenditure to maintain or improve the property is charged to the profit and loss account or as it is incurred and no provision is made for depreciation of the company's freehold buildings

This constitutes a departure from the statutory rules requiring fixed assets to be depreciated over their estimated useful lives and is necessary to enable the financial statements to give a true and fair view. The amount of depreciation and amortisation that might otherwise be provided cannot be separately identified or quantified. Provision will be made against the freehold land and buildings in the event of any impairment or other permanent diminution in its value

Expenditure which enhances the property but does not increase its market value is charged to the revaluation reserve

##### **Impairment**

Impairment reviews have been carried out on all of the group's fixed assets comparing the carrying value to their recoverable amounts. Where necessary provision has been made to reduce the value of fixed assets to their recoverable amounts

##### **1.7. Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value

##### **1.8. Stock**

Stock is valued at the lower of cost and net realisable value, making due allowance for obsolete and slow moving items

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**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010**

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**1.9. Deferred taxation**

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing difference reverse, based on current tax rates and laws.

Deferred tax is not provided on timing difference arising from the valuation of fixed assets where there is no commitment to sell the asset.

**1.10. Deferred income**

Income from matchday activity, media and commercial contracts which have been received prior to the year end in respect of future football seasons is treated as deferred income.

**1.11. Grants received**

Grants received for youth development are taken to the profit and loss account when received. Other grants receivable in respect of operating costs of the company are dealt with in the profit and loss account in the period in which the relevant expenditure is incurred. Grants for improvements to the football stadium have been netted from the capital expenditure incurred and transferred to the revaluation reserve.

**1.12. Leasing commitments**

Rental paid under operating leases are charged to profit and loss account on a straight line basis over the lease term.

**1.13. Pensions**

The company operates a defined contribution scheme for the benefits of its employees. The assets of the scheme are held in an independently administered fund. The pension costs charge represents contributions payable by the company to the fund. There were no amounts outstanding at the year end.

**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010**

<b>2</b>	<b>Operating loss</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	The operating loss is stated after charging		
	Depreciation of owned fixed assets	59,972	78,240
	Operating lease rental - land and buildings	25,000	25,000
	Operating lease rental - other	32,951	26,316
	Auditors' remuneration (Note 2.1 below)	27,786	20,150
		<u>145,709</u>	<u>149,706</u>
<b>2.1</b>	<b>Auditors' remuneration</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Audit fee	14,970	15,150
	Other services	12,816	5,000
		<u>27,786</u>	<u>20,150</u>
<b>3.</b>	<b>Exceptional items</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Profit on disposal of player registrations	575,393	47,976
	Transfer fee - purchases	(73,500)	(56,750)
		<u>501,893</u>	<u>(8,774)</u>
<b>4.</b>	<b>Interest receivable and similar income</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Bank interest	<u>184</u>	<u>3,104</u>
<b>5.</b>	<b>Directors' remuneration</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Remuneration	17,500	-
	Pensions contributions	-	-
		<u>17,500</u>	<u>-</u>

**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010**

<b>6. Staff costs</b>	<b>2010 £</b>	<b>2009 £</b>
Wages and salaries	2,716,312	2,170,207
Social security costs	260,021	174,903
Other costs	6,751	4,351
	<u>2,983,084</u>	<u>2,349,461</u>
<b>Staff costs are attributable as follows:</b>		
Administration and commercial staff	420,362	299,504
Playing, training and ground staff	2,562,722	2,049,957
	<u>2,983,084</u>	<u>2,349,461</u>
 Average number of employees during the year	<b>Number</b>	<b>Number</b>
Administration and commercial staff	20	17
Playing, training and ground staff	52	50
	<u>72</u>	<u>67</u>
The company also employs a significant number of staff on matchdays		
 <b>7. Interest payable and similar charges</b>	<b>2010 £</b>	<b>2009 £</b>
Bank loans and overdrafts	12,343	18,012
Other loans	26,250	26,250
	<u>38,593</u>	<u>44,262</u>
 <b>8. Tax on loss on ordinary activities</b>		
No liability to UK Corporation tax arose on ordinary activities for the year ended 31 May 2010 or for the year ended 31 May 2009		
The company has unrelieved losses at 31 May 2010 of approximately £6.8m (2009 - £5.4m) which are available to be carried forward and offset against future trading profits. No deferred tax asset has been recognised in respect of these losses due to the uncertainty of the availability of future trading profits.		
<b>Analysis of charge in period</b>	<b>2010 £</b>	<b>2009 £</b>
Tax on profit on ordinary activities	<u>Nil</u>	<u>Nil</u>

**BRENTFORD FC LIMITED**

**NOTES TO THE AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2010**

9. Tangible fixed assets	Freehold land and buildings	Plant and equipment	Fixtures, fittings	Motor vehicles	Total
Group and company	£	£	£	£	£
<b>Cost/revaluation</b>					
At 1 June 2009	10,000,000	282,933	353,987	6,200	10,643,120
Additions	-	20,831	11,433	-	32,264
Disposals	-	(1,150)	-	(6,200)	(7,350)
At 31 May 2010	10,000,000	302,614	365,420	-	10,668,034
<b>Depreciation</b>					
At 1 June 2009	-	253,230	317,176	4,960	575,366
On disposals	-	(1,149)	-	(4,960)	(6,109)
Charge for the year	-	23,218	36,754	-	59,972
At 31 May 2010	-	275,299	353,930	-	629,229
<b>Net book values</b>					
At 31 May 2010	10,000,000	27,315	11,490	-	10,038,805
At 31 May 2009	10,000,000	29,703	36,811	1,240	10,067,754
Freehold land at valuation included above not depreciated					10,000,000

Freehold land and buildings:	2010 £	2009 £
Historical cost	2,278,050	2,278,050
Cumulative depreciation based on historical cost	Nil	Nil

Cost or valuation at 31 May 2010 is represented by

	Freehold land and buildings	Plant and equipment	Fixtures, fittings	Motor vehicles	Total
	£	£	£	£	£
Revaluation	7,721,950	-	-	-	7,721,950
Cost	2,278,050	302,614	365,420	-	2,946,084
	10,000,000	302,614	365,420	-	10,668,034

The company's freehold land and buildings were valued by Vail Williams, an independent firm of chartered surveyors, on 1 September 2005 using an open market basis and reflecting the grant of conditional planning approval for the redevelopment of Griffin Park

**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010**

<b>10. Fixed asset investments</b>	<b>Subsidiary undertaking shares £</b>	<b>Total £</b>
<b>Principal group investments</b>		
<b>Cost</b>		
At 1 June 2009		
At 31 May 2010	99	99
<b>Net book values</b>		
At 31 May 2010	99	99
At 31 May 2009	99	99

The company's investment in its subsidiary undertaking represents the cost of 99 Ordinary Shares of Brentford FC (Lionel Road) Limited incorporated in England and Wales, which will progress the developments of a new stadium for the company. This was the only subsidiary undertaking which has been included in the consolidation.

On 28 June 2007, the company acquired 99% of the issued share capital of Brentford FC (Lionel Road) Limited for consideration comprising the issue of 99 ordinary shares of £1 each in the company.

<b>11. Stocks</b>	<b>2010 £</b>	<b>2009 £</b>
<b>Group and company</b>		
Merchandise	39,519	68,968

<b>12. Debtors</b>	<b>Group</b>		<b>Company</b>	
	<b>2010 £</b>	<b>2009 £</b>	<b>2010 £</b>	<b>2009 £</b>
Trade debtors	123,361	178,705	72,693	96,054
Amounts owed by group undertakings	785	-	1,372	100,525
Other debtors	6,534	14,346	6,534	14,346
Prepayments and accrued income	159,485	218,357	158,997	191,446
	<u>290,165</u>	<u>411,408</u>	<u>239,596</u>	<u>402,371</u>



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**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010**

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13. Creditors: amounts falling due within one year	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Bank loans and overdrafts (secured note 15)	440,557	-	440,557	126,317
Other loans (secured note 15)	500,000	-	500,000	-
Trade creditors	250,474	308,777	227,092	269,849
Other taxes and social security costs	137,007	160,099	134,218	158,689
Other creditors	2,219	1,651	2,219	1,651
Accrued expenses	423,397	439,717	417,482	408,736
Deferred income	413,257	518,469	413,257	518,469
Amount owed to group undertakings	8,088	1,000,000	8,088	1,000,000
	<u>2,174,999</u>	<u>2,428,713</u>	<u>2,142,913</u>	<u>2,483,711</u>

14. Creditors: amounts falling due after more than one year	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Other loans	4,259,608	4,309,608	4,259,608	4,309,608
Deferred income	-	11,108	-	11,108
Amount owed to group undertakings	3,317,911	2,872,703	3,317,911	2,872,703
	<u>7,577,519</u>	<u>7,193,419</u>	<u>7,577,519</u>	<u>7,193,419</u>

**BRENTFORD FC LIMITED**

**NOTES TO THE AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2010**

15. Loans (secured)	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Loans repayable within one year or on demand				
Bank overdraft	440,557	-	440,557	126,317
Loan from ultimate parent undertaking	-	1,000,000	-	1,000,000
Other loan	500,000	-	500,000	-
	<u>940,557</u>	<u>1,000,000</u>	<u>940,557</u>	<u>1,126,317</u>
Loans between one and two years				
Other loans	-	1,000,000	-	1,000,000
	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>
Loan repayable between two and five years				
Loan from ultimate parent undertaking	2,017,911	1,175,000	2,017,911	1,175,000
Other loans	1,430,132	930,132	1,430,132	930,132
Directors loan	800,000	350,000	800,000	350,000
Loan from group undertakings	1,300,000	-	1,300,000	-
	<u>5,548,043</u>	<u>2,455,132</u>	<u>5,548,043</u>	<u>2,455,132</u>
Loans not wholly repayable within five years				
Other loan - 12 years term	2,029,476	2,029,476	2,029,476	2,029,476
Loans from ultimate parent undertaking	-	80,000	-	80,000
Loans from ultimate parent undertaking	-	312,911	-	312,911
Loans from group undertakings	-	1,300,000	-	1,300,000
Loans from group undertakings	-	4,792	-	4,792
	<u>2,029,476</u>	<u>3,727,179</u>	<u>2,029,476</u>	<u>3,727,179</u>
Analysis of maturity of debt				
Within one year or on demand	940,557	1,000,000	940,557	1,126,317
Between one and two years	-	1,000,000	-	1,000,000
Between two and five years	5,548,043	2,455,132	5,548,043	2,455,132
After five years	2,029,476	3,727,179	2,029,476	3,727,179
	<u>8,518,076</u>	<u>8,182,311</u>	<u>8,518,076</u>	<u>8,308,628</u>

A bank overdraft facility of £500,000 is secured by a first legal charge over the group's freehold property and guarantee provided by Griffin Park Stadium Limited and Brentford Football Community Society Limited (Bees United)

**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010**

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Group loans are interest free

Other loans are secured by legal charges over the company's freehold property and in some cases guarantees from the ultimate parent undertaking and its group undertakings

**16 Deferred taxation**

The following deferred liabilities / (assets) arising from timing differences have not been recognised in the financial statements

	<b>Group</b>		<b>Company</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Revaluation of freehold property	2,033,000	2,223,000	2,033 000	2,223 000
Accelerated capital allowances	(48,000)	(86,000)	(48,000)	(86,000)
Tax losses carried forward	(1,903,000)	(1,633,000)	(1,914,000)	(1,653,000)
Undiscounted provision for deferred tax	<u>82,000</u>	<u>504,000</u>	<u>71,000</u>	<u>484,000</u>

The deferred tax liability of £2,033,000 relating to the unrealised gain on the revaluation of the freehold stadium, is the maximum amount payable if the property were to be sold at the valuation of £10,000,000 and assuming that no rollover relief was available

Deferred tax assets in respect of trading losses carried forward and the excess of depreciation over capital allowances have not been recognised as their recovery is dependent on future taxable profits arising which at this stage cannot be anticipated

**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010**

17. Called up share capital	2010 No	2009 No	2010 £	2009 £
<b>Authorised</b>				
Ordinary shares of 1p each	200,000	200,000	2,000	2,000
Special share of 1p	1	1	-	-
BU Special share of 1p	1	-	-	-
Preference shares of £1 each	6,000,000	-	6,000,000	-
			<u>6,002,000</u>	<u>2,000</u>
	<b>2010 No</b>	<b>2009 No</b>	<b>2010 £</b>	<b>2009 £</b>
<b>Allotted, called up and fully paid</b>				
Ordinary shares of 1p each	200,000	200,000	2,000	2,000
Special share of 1p	1	1	-	-
BU Special share of 1p	1	-	-	-
Preference shares of £1 each	1,000,000	-	1,000,000	-
			<u>1,002,000</u>	<u>2,000</u>

During the year, 1 BU Special share of 1pence and 1,000,000 preference share of £1 each were allotted and fully paid

The company has contracted with Mathew Benham to subscribe for preference shares in the company at par each year for the four years to 31 May 2014, a minimum of £1,000,000 together with an amount adjusted for the changes in the Retail Price Index

**Special share**

The Special share has no right to receive notice of or to attend or vote at general meeting of the company. The holder has the right to receive notice from the company of any proposed sale of the freehold property at Griffin Park. Within fourteen days of receiving such notice, the holder has the right to veto the sale.

The holder is not entitled to transfer or otherwise dispose of the special share to any other person. In the event of the holder's death or bankruptcy or (if earlier) on 31 May 2014 the rights conferred cease to apply and the special share will automatically be converted into an ordinary share.

The Special share is not redeemable and has no right in respect of dividends or to participate in a distribution.

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**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010**

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**BU Special share**

The BU Special Share confers on Brentford Football Community Society Ltd (Bees United) personally (but no other person) the right to receive notice of a sale and (under certain circumstances) issue a Veto Notice in respect of any sale of Griffin Park or of any successor stadium owned by the Company at which the Brentford FC first team plays its home league matches. This right only comes into being once the Special Share (see above) has been converted into an Ordinary Share. The purpose of the BU Special Share is to prevent the selling of the stadium to the long term disadvantage of Brentford Football Club and for short term gain to the shareholders.

The BU Special Share is not redeemable and has no right in respect of dividends or to participate in a distribution.

**18 Revaluation reserve**  
**Group and company**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>At 1 June 2009</b>	(7,721,950)	(7,730,580)
<b>Charged during the year</b>	-	8,630
<b>At 31 May 2010</b>	<u>(7,721,950)</u>	<u>(7,721,950)</u>

**19. Profit and loss account**  
**Group and company**

	<b>Group</b>		<b>Company</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 June 2009</b>	6,734,345	(6,305,903)	6,856,538	(6,361,275)
<b>Loss for the year</b>	<u>(1,226,922)</u>	<u>(428,442)</u>	<u>1,264,664</u>	<u>(495,263)</u>
<b>At 31 May 2010</b>	<u>(7,961,267)</u>	<u>(6,734,345)</u>	<u>8,121,202</u>	<u>(6,856,538)</u>

**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010**

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<b>20. Reconciliation of movements in shareholders' funds</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Loss for the year	(1,226,922)	(428,442)
Proceeds of issue of non-equity shares	1,000,000	-
	(226,922)	(428,442)
Other recognised gains or losses	-	(8,630)
Net addition to shareholders' funds	(226,922)	(437,072)
Opening shareholders' funds	989,605	1,426,677
Closing shareholders' funds	<u>762,683</u>	<u>989,605</u>

**21. Commitments and contingent liabilities****Capital commitments**

At 31 May 2010, capital expenditure commitments were as follows

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Contracted but not provided for in the accounts	<u>-</u>	<u>-</u>

**Lease commitments**

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	<b>Land and buildings 2010 £</b>	<b>Land and buildings 2009 £</b>	<b>Other 2010 £</b>	<b>Other 2009 £</b>
Operating leases which expires				
within one year	25,000	25,000	32,951	26,316
within two to five years	<u>-</u>	<u>25,000</u>	<u>32,951</u>	<u>26,316</u>

**Contingent liabilities**

The company has contingent liability in respect of a legal claim arising in the ordinary course of business. It is not anticipated that any material liability will arise.

**BRENTFORD FC LIMITED****NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MAY 2010****22 Gross cash flows**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	184	3,104
Interest paid	(38,593)	(44,262)
	<u>(38,409)</u>	<u>(41,158)</u>
Financing issuing of preference share capital	<u>1,000,000</u>	<u>-</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed asset	(32,264)	(20,145)
Expenditure charged to the revaluation reserve	-	(8,630)
Receipts from sales of intangible fixed assets	575,393	47,976
Transfer fee - purchases	(73,500)	(56,750)
Receipts from sales of tangible fixed assets	1,400	3,250
	<u>471,029</u>	<u>(34,299)</u>

**23. Analysis of changes in net debt**

	<b>At 1 June</b>	<b>Cash</b>	<b>At 31 May</b>
	<b>2009</b>	<b>flows</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	191,160	(42,831)	148,329
Overdrafts	(126,317)	(314,240)	(440,557)
	<u>64,843</u>	<u>(357,071)</u>	<u>(292,228)</u>
Debt due within one year	(1,000,000)	500,000	(500,000)
Debt due after one year	(7,182,311)	(395,208)	(7,577,519)
	<u>(8,182,311)</u>	<u>104,792</u>	<u>(8,077,519)</u>
<b>Net funds</b>	<u>(8,117,468)</u>	<u>(252,279)</u>	<u>(8,369,747)</u>

## **BRENTFORD FC LIMITED**

### **NOTES TO THE AUDITED FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 MAY 2010**

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#### **24. Related party transactions**

On the 25 June 2001 the company acquired the freehold land and buildings at Griffin Park from Griffin Park Stadium Limited, a fellow subsidiary at the time for a sum of £1,800,000

A director's loan of £250,000 from J Herting and a loan from a group undertaking of £250,000 from Altonwood Limited, were assigned from Griffin Park Stadium Limited to the company as part consideration of the £1,800,000 Both loans were secured by a legal charge over the company's freehold property The Altonwood loan was waived in January 2007

Payment of the balance of £1,300,000 due to Griffin Park Stadium was initially deferred for five years and left as an interest free loan secured by a legal charge over the company's freehold property An additional unsecured balance of £Nil (2009 - £4,792) is owed to Griffin Park Stadium Limited

Brentford Football Community Society Limited (Bees United) acquired the majority shareholding in the company and Griffin Park Stadium Limited from Altonwood Limited on 21 January 2006 As a consequence of this transaction, settlement of the intra-group loan due from the company to Griffin Park Stadium Limited was deferred for an unspecified term and Mr J Herting extended the term of loan to the company for a period of five years The terms of the loans were varied during the year so that the loans will be repayable in full on 31 May 2014

Mr E Rogers has made an interest free loan of £100,000 to the company that is secured by a legal charge over the company's freehold property The loan term was extended for a period of five years on 21 January 2006 The terms of the loans were varied during the year so that the loan will be repayable in full on 31 May 2014

Brentford Football Community Society Limited (Bees United) is incorporated under the Industrial and Provident Societies Act 1965-1978 composed of approximately 2000 members that each hold one member share in the society Former and current directors that were members of the society during the year include J P Herting, E B Rogers, B Burgess, J Gosling, G Dyke, D Heath, I Jones, J Bourke, A Bird and D Merritt

Bees United has made loans totalling £2,017,911 (2009 - £2,567,911) to the company at the year end of which £1,705,000 (2009 - £2,175,000) is secured by legal charges over the company's freehold property

Mr M Benham, who is represented on the board of directors, has made loans to the company of £3,459,608 (2009 - £3,459,608) that are secured by a legal charge over the company's freehold property

During the year, the company took over the loans by directors to Bees United amounting to £450,000 The company issued loan notes in favour of the directors The maturity date of the loan notes are 31 May 2014 and are secured over the company's freehold property

All transactions with related parties are undertaken on normal commercial terms and no interest has been charged on loans or current accounts in the current or previous year



**BRENTFORD FC LIMITED**

**NOTES TO THE AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2010**

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**25. Equity Minority Interests**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
At 1 June 2009	1,236	561
<b>Profit on ordinary activities after taxation</b>		
Minority shareholding	381	675
At 31 May 2010	<u>1,617</u>	<u>1,236</u>

**26 Controlling interest**

The ultimate parent undertaking is Brentford Football Community Society Limited (Bees United), a society registered under the Industrial and Provident Societies Acts 1965-1978