

Company Registered Number: 04007132

THE FOOTBALL STADIA IMPROVEMENT FUND LIMITED

Annual Report and Financial Statements
for the year ended 31 May 2014

FRIDAY



A3J6CUCB

A18

24/10/2014

#172

COMPANIES HOUSE

The Football Stadia Improvement Fund Limited

Annual Report and Financial Statements for the year ended 31 May 2014

Contents	Page
Directors and advisers	3
Directors' report.....	4
Independent auditors' report to the members of The Football Stadia Improvement Fund Limited	7
Profit and loss account.....	10
Balance sheet	11
Notes to the financial statements	12

The Football Stadia Improvement Fund Limited

Directors and advisers

Directors

J P B Hall

P D G McCormick OBE*

R C Scudamore

*Chairman

Chief Executive

P J Thorogood

Company Secretary

D McDermott

Registered office

Whittington House

19-30 Alfred Place

London

WC1E 7EA

Solicitors

Bates, Wells & Braithwaite

2 – 6 Cannon Street

London

EC4M 6YH

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

7 More London Riverside

London

SE1 2RT

Bankers

Barclays Bank PLC

Corporate Banking Group

27th Floor

1 Churchill Place

London

E14 5HP

The Football Stadia Improvement Fund Limited

Directors' report for the year ended 31 May 2014

The directors present their report and the audited financial statements of the company 04007132 for the year ended 31 May 2014. The directors' report has been prepared in accordance with the small companies regime, section 415A, of the Companies Act 2006.

The members of the company are The Football Association and The Premier League. The company is a Company Limited by Guarantee. Each member of the company undertakes to contribute such amount as may be required, not exceeding £1, to the company's assets if it should be wound up while they are a member or within one year after they cease to be members.

Principal activities

The Football Stadia Improvement Fund ("FSIF") acts as an agent for The Premier League in passing on future funding for activities relating to the safety and comfort of spectators at, and the redevelopment of football stadia.

Review of activities

The results for the year are set out in the profit and loss account on page 10. Both the level of activity and the year-end financial position were satisfactory. The directors expect the level of activity to be maintained over the next few years.

The Premier League has committed to providing funding of up to £5.2m per annum for the next two years. Capital donations received in the year are set out in note 10 to the financial statements, and include monies received from The Premier League and The Football Association.

Going Concern

The financial statements are prepared on a going concern basis, with net assets of £0.1m shown on the company's balance sheet.

The historical deficit has now been repaid in full through a contribution to reserves, with the amounts met equally by the Football Foundation and the company.

Directors

Directors are appointed as follows:

The Football Association:	One director
The Premier League:	One director
To be jointly appointed by the above directors:	One director who shall be the chairperson

The Football Stadia Improvement Fund Limited

Directors' report for the year ended 31 May 2014

Financial risk management

The company's operations expose it to a variety of risks that include liquidity risk and interest rate risk. In view of the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The directors seek to manage these risks as follows:

Liquidity risk

The company operates with short term financing designed to ensure that the company has sufficient funds available for operation. The Premier League has agreed to provide financial support to FSIF, as and when required, up to the amount of working capital necessary to ensure that it is able to meet its debts as they fall due.

Interest rate risk

The company's bank facilities are subject to variable rates of interest with no hedging in place to manage exposure to changes in those rates. This policy will be revisited should the directors consider it necessary.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Football Stadia Improvement Fund Limited

Directors' report for the year ended 31 May 2014

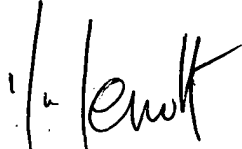
Statement of disclosure of information to auditors

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and they have taken all the steps 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 the information.

Independent auditors

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

Approval by the board of directors

A handwritten signature in black ink, appearing to read 'D McDermott', is written over a faint, larger signature that also appears to be 'D McDermott'.

D McDermott

Company Secretary

15 October 2014

The Football Stadia Improvement Fund Limited

Independent auditors' report to the members of

The Football Stadia Improvement Fund Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 May 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by The Football Stadia Improvement Fund, comprise:

- the balance sheet as at 31 May 2014;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

The Football Stadia Improvement Fund Limited

Independent auditors' report to the members of

The Football Stadia Improvement Fund Limited

Opinion on other matters 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

The Football Stadia Improvement Fund Limited

Independent auditors' report to the members of

The Football Stadia Improvement Fund Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' responsibilities set out on page 5, 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 and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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



John Minards (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
15 October 2014

The Football Stadia Improvement Fund Limited

Registered company number: 04007132

Profit and loss account for the year ended 31 May 2014

	Note	2014 £'000	2013 £'000
Income		356	404
Administrative expenses	5	<u>(356)</u>	<u>(404)</u>
		-	-
Interest receivable and similar income	3	<u>46</u>	<u>74</u>
Profit on ordinary activities before taxation		46	74
Tax on profit on ordinary activities	6	-	-
Profit for the financial year	11	<u>46</u>	<u>74</u>

All activities are continuing.

The company had no recognised gains or losses other than those included in the result above. Therefore no separate statement of total recognised gains and losses has been presented.

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

The notes on pages 12 to 16 form part of these financial statements.

The Football Stadia Improvement Fund Limited


Registered company number: 04007132

Balance sheet as at 31 May 2014

	Note	2014 £'000	2013 £'000
Current assets			
Debtors – amounts falling due within one year	7	510	875
Cash at bank and in hand		<u>8,449</u>	<u>8,333</u>
		8,959	9,208
Debtors – amounts falling due after more than one year	8	<u>2,000</u>	<u>2,000</u>
		10,959	11,208
Creditors: amounts falling due within one year	9	<u>(10,821)</u>	<u>(14,649)</u>
Net assets / (liabilities)		138	(3,441)
Capital and reserves			
Profit and loss account	11	<u>138</u>	<u>(3,441)</u>
Total Shareholders' funds / (deficit)		<u>138</u>	<u>(3,441)</u>

The notes on pages 12 to 16 form part of these financial statements.

The financial statements which comprise the profit and loss account, the balance sheet and the related notes were approved by the board of Directors and signed on its behalf on 25 September 2014 by:



P D G McCormick OBE
Chairman

The Football Stadia Improvement Fund Limited

Notes to the financial statements

1. Principal accounting policies

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

Income and expenditure

Income is accounted for on a receivable basis and expenditure is accounted for on an accruals basis. Interest receivable has been recognised in the year due to the expectation that this amount will now be received on the long term loan.

Going concern

The Premier League has confirmed to the directors that it will provide funds over the next two years as part of their commitment to the company which will enable it to meet the grant commitments that the company has made in advance of the receipt of funding.

The Premier League has also confirmed that it will provide sufficient financial support to the company to enable it to meet its commitments as they fall due and for at least another twelve months after the date of signing these financial statements. As a result, the directors consider the going concern basis suitable for the year ended 31 May 2014 financial statements.

Cash flow statement

The company qualifies as a small company under the terms of Section 383 of the Companies Act 2006 and consequently has taken advantage of the exemption provided by FRS1 (Revised) relating to small companies and has not published a cash flow statement.

Capital contributions and grants payable

The company acts as an agent for The Premier League. Contributions received are credited to a capital contribution account. Grants made are deducted from the contribution account when the grant has been authorised and communicated to the recipient. This is deemed to have created a constructive liability as there are no significant conditions attached to grants made.

Deferred taxation

Provision is made for deferred taxation using the incremental liability method where the directors consider deferred taxation has a material impact on the financial statements. Material deferred tax assets are only recognised to the extent they are recoverable.

The Football Stadia Improvement Fund Limited

Notes to the financial statements

2. Operating profit

Operating profit is stated after charging:

	2014	2013
	£'000	£'000
Auditors' remuneration (inclusive of VAT) – for audit services	11	11
Auditors' remuneration (inclusive of VAT) – for non-audit services	<u>6</u>	<u>4</u>

3. Interest receivable and similar income

	2014	2013
	£'000	£'000
Loan interest	20	20
Bank interest	<u>26</u>	<u>54</u>
Total interest received	<u>46</u>	<u>74</u>

A £2m loan was advanced to a Football League club in February 2005. At the year end this loan remains in place and remains outstanding and as such interest continues to accrue.

4. Directors' emoluments

No directors were paid remuneration for the year ended 31 May 2014 (2013: £nil).

5. Administrative expenses

The Football Foundation makes a charge of £355,795 to FSIF to cover salaries and other administrative costs incurred on its behalf.

The Football Stadia Improvement Fund Limited

Notes to the financial statements

6. Tax on profit on ordinary activities

a. Analysis of charge in the year	2014	2013
Current tax	£'000	£'000
On profit for the year	-	-

b. Factors affecting the tax charge for the year

The tax assessed for the year is lower (2013: lower) than the standard rate of corporation tax in the UK (22.67%)

	2014	2013
	£'000	£'000
Profit on ordinary activities before payment of deed of gift aid and taxation	46	74
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 22.67% (2013: 23%)	10	17
Expenses not deductible for tax purposes	-	-
Taxation on gift aid payments	-	-
Losses carried forward	-	-
Non-taxable income	(10)	(17)
Loss carried forward	-	-

c. Factors likely to affect future tax charges

The company covenants its taxable profits to The Football Foundation and is unlikely to attract tax charges in the foreseeable future.

A deferred tax asset of £618 (2013: £11,252) has not been recognised on the basis that sufficient profits cannot be guaranteed at this stage of the company's development.

A number of changes to the UK corporation tax system were announced in the March 2013 UK Budget Statement. These were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These reduced the main rate of corporation tax to 21% from 1 April 2014 and to 20% from 1 April 2015. The small companies rate remains unchanged at 20%.

These changes had been substantively enacted at the balance sheet date and, therefore are included in these financial statements. Accordingly, deferred tax values have been calculated at 20%.

No further changes to future tax rates were announced in the March 2014 Budget Statement.

The Football Stadia Improvement Fund Limited

Notes to the financial statements

Deferred tax asset calculation

	Year ended 31 May 2014	Year ended 31 May 2013
Enacted corporate rate	20%	23%
Losses carried forward per draft computation	3,090	48,921
Deferred tax asset	618	11,252

7. Debtors – amounts falling due within one year

	2014 £'000	2013 £'000
Trade debtors	11	-
Amounts owed by The Football Foundation	191	-
Prepayments and accrued capital contributions	308	875
	<u>510</u>	<u>875</u>

The amount due from the Football Foundation is unsecured, is not interest bearing and has no fixed repayment date.

8. Debtors – amounts falling due after more than one year

	2014 £'000	2013 £'000
Loan to football league club	<u>2,000</u>	<u>2,000</u>

The loan represents an amount advanced to a Football League club. The loan is interest bearing and guaranteed by the club as appropriate. The current interest charged is 0.5% above the Bank of England base rate and the loan and outstanding interest charges are repayable by 31 October 2014.

9. Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Grants payable	8,689	4,675
Trade creditors	-	18
Amounts owed to The Football Foundation	-	355
Accruals and deferred income	33	37
Capital contributions uncommitted (see note 10)	2,099	9,564
	<u>10,821</u>	<u>14,649</u>

The Football Stadia Improvement Fund Limited

Notes to the financial statements

10. Balance of capital contribution

	The Football Association	The Premier League	Total
	£'000	£'000	£'000
At 1 June 2013	1,678	7,886	9,564
Funds receivable	500	5,200	5,700
Contribution to reserves	(1,766)	(1,767)	(3,533)
New grants awarded	(400)	(9,283)	(9,683)
Grants withdrawn	-	407	407
Management charge	(12)	(344)	(356)
At 31 May 2014	100	1,999	2,099

11. Profit and loss account

	2014	2013
	£'000	£'000
At 1 June 2013	(3,441)	(3,515)
Contribution to reserves	3,533	-
Profit for the financial year	46	74
At 31 May 2014	138	(3,441)

12. Commitments

All grant commitments have been recognised once the grant has been authorised and communicated to the recipient.

13. Related party transactions

Mr R C Scudamore is the Chief Executive of The Premier League. The Premier League donated £5,200,000 (2013: £6,000,000) to FSIF during the year. During the prior year £2,000,000 was subsequently transferred to the Football Foundation.

Mr P D G McCormick OBE is Chairman of the Legal Advisory Group to The Premier League.

Mr J P B Hall is a director of The Football Association. The Football Association donated £500,000 (2013: £1,089,000) to FSIF during the year.

Employees of FSIF have joint employment contracts with The Football Foundation.

14. Ultimate controlling party

The ultimate controlling parties are The Football Association Limited and The Football Association Premier League Limited. Both companies were incorporated in the United Kingdom, with each holding 50 per cent control of FSIF respectively. Copies of the financial statements of FSIF are available via The Football Foundation from Whittington House, 19-30 Alfred Place, London, WC1E 7EA.