

# CPFC 2010 Limited

## FINANCIAL STATEMENTS

for the year ended

30 June 2014

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31/03/2015

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COMPANIES HOUSE

*Company number 07206409*

# CPFC 2010 Limited

## DIRECTORS AND OFFICERS

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### DIRECTORS

S Parish  
S Browett  
M Long

### SECRETARY

H Jani

### COMPANY NUMBER

07206409 (England and Wales)

### REGISTERED OFFICE

Selhurst Park Stadium  
Holmesdale Road  
London SE25 6PU

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
STC House  
7 Elmfield Road  
Bromley  
Kent BR1 1LT

# CPFC 2010 Limited

## DIRECTORS' REPORT

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The directors submit their report and the group financial statements of CPFC 2010 Limited for the year ended 30 June 2014:

### STRATEGIC REPORT

Information is not shown within this Directors' Report as it is instead included within the Strategic Report on page 4 under S414c(11).

### PRINCIPAL ACTIVITY

The group's principal activity during the year was that of overseeing the group's football related activities.

The company's principal activity during the year was that of a holding company.

### RESULTS FOR THE YEAR

The group trading profit for the year, after taxation, was £17,882,801 (2013: £3,554,196).

The directors do not recommend the payment of a dividend (2013: £Nil).

### POST BALANCE SHEET EVENTS

In the post year end period the group has contracted for the sales and purchase of a number of players. The cost of these purchases amounts to £9,000,000 (2013: £16,266,080). Proceeds totalling £1,000,000 (2013: £100,000) are due in respect of player sales.

### EMPLOYEES

It is the group's policy to ensure that no employee or job applicant is treated less favourably than another on the grounds of religion, sexual orientation, disability, race, creed, colour, nationality, ethnic or national origins, sex or marital status.

Applications for employment by disabled persons are always fully considered bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Continued close attention is paid to the health and safety of employees while at work and all employees are provided with appropriate training.

### THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

Qualifying third party indemnity provision is in place for the benefit of all directors of the group.

### DIRECTORS

The following directors have held office since 1 July 2013:

S Parish  
S Browett  
M Long

# CPFC 2010 Limited

## DIRECTORS' REPORT

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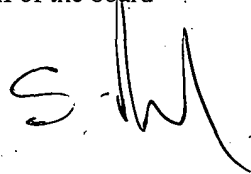
### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### AUDITOR

The auditor, Baker Tilly UK Audit LLP, has indicated its willingness to continue in office.

On behalf of the board

A handwritten signature in black ink, appearing to be 'S. Parish', written over a horizontal line.

S Parish  
Director

# CPFC 2010 Limited

## STRATEGIC REPORT

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The directors submit their report and the group financial statements of CPFC 2010 Limited for the year ended 30 June 2014.

### BUSINESS REVIEW AND KEY PERFORMANCE INDICATORS

The group's trading profit for the year, after taxation, was £17,882,801 (2013: £3,554,196).

The improvement in the profitability stems from broadcasting income and we were entitled to some extra merit payments for finishing 11<sup>th</sup> in the 13/14 season. There has been organic growth in our gate receipts with better attendances and other areas such as our catering and hospitality areas have also improved. The turnover of the club was £90,401,306 (2013: £14,512,758). The breakdown of the turnover is shown in Note 1 on page 15.

During the year with the promotion to Premiership, the club acquired a number of players and the total expenditure as shown in note 20b on page 23 was £20,049,114.

With a very difficult start to the Premiership, the club was struggling and there was a very amicable change of management with appointment of Tony Pulis in place of Ian Holloway during December. The results of the season are well documented and the club finished in a very strong position making history by retaining its premier league status for the first time.

During the year the club continued to make further investments in the infrastructure and a further £5,558,861 was spent on tangible fixed assets. The club acquired the training ground and Copers Cope Lane, built very modern bar and restaurant facilities in the stadium, improved the retail catering areas and laid a new pitch with undersoil heating. Further improvements were also made in the training facilities and the club continued to support the academy development of our young generation of players.

The directors do not recommend the payment of a dividend (2013: £ Nil) and all the proceeds are reinvested into the club.

### RISKS AND FINANCIAL INSTRUMENTS

The income and expense patterns change quite radically between the Championship and Premiership and, although the income levels are high in the Premiership, so are the outgoings. The Club has to assemble a team to compete in the Premiership in a reasonably short window with the help of the scouting network. Once the team is assembled, they have to quickly get used to playing together against the very best teams that have been playing in the Premiership for a much longer period.

We have produced financial plans which cover at least two years to see what the impact would be if we were not successful in keeping our Premiership status in the coming season. Every effort will be made to keep us in the Premiership and we have drawn up financial plans to reflect that scenario also.

Other commercial income which is associated with Premiership and Championship status has to be assessed and implemented in good time.

One of the biggest considerations for anyone playing in the Premiership is to keep the playing squad and the immediate management team in good shape and free of injuries, as far as is practicable, and to have enough cover to cope with unexpected eventualities. This does mean that the depth of squad is bigger than in the Championship.

The main risks associated with financial instruments arising from the group's activities are credit risk and liquidity risk. These are monitored by the board of directors and were not considered to be significant at the balance sheet date.

The group's policy in respect of credit risk is to require appropriate credit checks on the relevant parties before sales are made.

# CPFC 2010 Limited

## STRATEGIC REPORT

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The group's policy in respect of liquidity risk is to maintain a mixture of long term related party finance and readily accessible bank deposit accounts to ensure the group has sufficient funds for operations.

The only financial instruments held by CPFC 2010 Limited are trade debtors, trade creditors, loans and cash.

### FUTURE PLANS

In the August transfer window the club further strengthened its squad by acquiring 4 players: Frazier Campbell, Martin Kelly, James McArthur and Ezekeil Fryers. The club also secured Wilfred Zaha on a season's loan and Kevin Doyle for 6 months.

On the management side Tony Pulis resigned and Neil Warnock was appointed to steer us through the Premiership. This did not quite work out so in January 2015 the club has procured the services of Alan Pardew.

It is the intention of the Board to strengthen the squad further to give the club the best chance to compete at the very top level and try and secure the Premiership status for this season and use it as a platform for the future years.

The club has signed a new sponsorship deal with Neteller during the year and the visibility of the club and the sponsors does get a very wide coverage in UK and across all the footballing world where Premiership matches are televised.

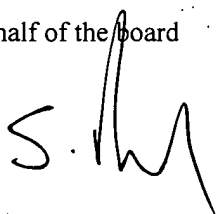
The club has also signed a new kit deal with Macron who provide our strips and their extensive product range has been well received by our fan base.

The Board has continued to improve the stadium with new seats and also built another inviting 2010 Coppell lounge on the same lines as the one we already have. Further investments were made in our Stanley Stevenson lounge to make it a very appealing and it can also serve as a venue for parties and functions. A new media centre with the latest facilities was also opened in the early part of new season. There are a number of other projects to enhance and improve the facilities and match day experience.

### STRATEGY TO ACHIEVE OBJECTIVES

The business ensures that it achieves its objectives by reviewing them on a regular basis against the results achieved in the period. Regular board meetings are held to discuss the progress of its objectives and to discuss future plans for the business.

On behalf of the board



S Parish  
Director

# CPFC 2010 Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period.

In preparing those financial statements, the directors are required to:

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

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

# CPFC 2010 Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CPFC 2010 LIMITED

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We have audited the group and parent company financial statements (the "financial statements") on pages 9 to 25. 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 auditor's 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 auditor**

As more fully explained in the Directors' Responsibilities Statement set out on page 6, 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 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 on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 30 June 2014 and of the group's 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.

### **Emphasis of matter – Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures and assumptions made in the accounting policies to the financial statements concerning the group's ability to continue as a going concern. The financial statements have been prepared on a going concern basis which is dependent on the continued support of the ultimate controlling parties. Our opinion is not qualified in this respect. The financial statements do not include any adjustments that would result if the group were unable to continue as a going concern.

### **Opinion on other matters prescribed by the Companies Act 2006**

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



# CPFC 2010 Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CPFC 2010 LIMITED

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### **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.

*Baker Tilly UK Audit LLP*

NEIL THOMAS (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

STC House

7 Elmfield Road

Bromley

Kent BR1 1LT

*30 January 2015*

**CPFC 2010 Limited**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
for the year ended 30 June 2014

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	<i>Notes</i>	2014 £	2013 £
TURNOVER	1	90,401,306	14,512,758
Cost of sales (including exceptional charge of £Nil (2013: £4.594m) – see Note 4)		(56,004,027)	(22,449,959)
Gross profit/(loss)		<u>34,397,279</u>	<u>(7,937,201)</u>
Other operating expenses (net)	2	(10,758,997)	(4,353,413)
OPERATING PROFIT/(LOSS)		<u>23,638,282</u>	<u>(12,290,614)</u>
Profit on disposal of players and management		92,420	13,882,523
Impairment of intangible fixed asset		(816,667)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		<u>22,914,035</u>	<u>1,591,909</u>
Interest receivable and similar income	3	97,161	17,262
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	<u>23,011,196</u>	<u>1,609,171</u>
Taxation	6	(5,128,395)	1,945,025
PROFIT FOR THE YEAR	18	<u><u>17,882,801</u></u>	<u><u>3,554,196</u></u>

The operating profit for the year arises from the group's continuing operations.

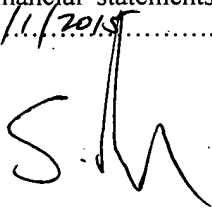
No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

**CPFC 2010 Limited**  
**CONSOLIDATED BALANCE SHEET**  
As at 30 June 2014

Company registration No 07206409

	Notes	2014 £	2013 £
<b>FIXED ASSETS</b>			
Intangible assets	8	14,477,750	1,395,004
Tangible assets	9	9,777,921	5,245,762
		<u>24,255,671</u>	<u>6,640,766</u>
<b>CURRENT ASSETS</b>			
Stocks	11	155,717	33,812
Debtors	12	2,628,026	12,107,358
Cash at bank and in hand		27,236,842	3,289,188
		<u>30,020,585</u>	<u>15,430,358</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	(38,686,136)	(24,310,324)
<b>NET CURRENT LIABILITIES</b>		<u>(8,665,551)</u>	<u>(8,879,966)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>15,590,120</u>	<u>(2,239,200)</u>
<b>ACCRUALS AND DEFERRED INCOME</b>	15	(114,058)	(167,539)
<b>NET ASSETS/(LIABILITIES)</b>		<u>15,476,062</u>	<u>(2,406,739)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	5,750,000	5,750,000
Profit and loss account	18	9,726,062	(8,156,739)
<b>SHAREHOLDERS FUNDS/(DEFICIT)</b>	19	<u>15,476,062</u>	<u>(2,406,739)</u>

The financial statements on pages 9 to 25 were approved by the board and authorised for issue on 16/1/2015 and signed on its behalf by:



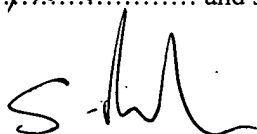
S Parish  
Director

**CPFC 2010 Limited**  
**COMPANY BALANCE SHEET**  
**As at 30 June 2014**

*Company registration No 07206409*

	<i>Notes</i>	2014 £	2013 £
<b>FIXED ASSETS</b>			
Investments	10	1	1
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Debtors due within one year	12	830	830
Debtors due after more than one year	12	15,450,000	15,450,000
Creditors: amounts falling due within one year	13	(10,700,000)	(10,700,000)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		4,750,830	4,750,830
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,750,831	4,750,831
		<hr/>	<hr/>
<b>NET ASSETS</b>		4,750,831	4,750,831
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	5,750,000	5,750,000
Profit and loss account	18	(999,169)	(999,169)
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>	19	4,750,831	4,750,831
		<hr/>	<hr/>

The financial statements on pages 9 to 25 were approved by the board and authorised for issue on 16/1/2015 and signed on its behalf by:



S Parish  
 Director

# CPFC 2010 Limited

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended 30 June 2014

	Notes	2014 £	2013 £
Cash inflow/(outflow) from operating activities	20a	48,919,920	(1,677,707)
Player Registrations	20b	(19,507,114)	4,941,862
Returns on investments and servicing of finance	20b	97,161	17,262
Taxation		(3,452)	-
Capital expenditure and financial investment	20b	(5,558,861)	(500,297)
<b>CASH INFLOW BEFORE USE OF LIQUID RESOURCES AND FINANCING</b>		<b>23,947,654</b>	<b>2,781,120</b>
Financing	20b	-	(40,104)
<b>INCREASE IN CASH IN THE YEAR</b>	20c	<b>23,947,654</b>	<b>2,741,016</b>
<b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET (DEBT)/FUNDS</b>		<b>2014 £</b>	<b>2013 £</b>
Increase in cash in the year	20c	23,947,654	2,741,016
Cash inflow from increase in debt and lease financing	20c	-	40,104
<b>MOVEMENT IN NET DEBT IN YEAR</b>		<b>23,947,654</b>	<b>2,781,120</b>
NET DEBT AT 1 July 2013	20c	(7,410,812)	(10,191,932)
<b>NET FUNDS/(DEBT) AT 30 June 2014</b>	20c	<b>16,536,842</b>	<b>(7,410,812)</b>

# CPFC 2010 Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards.

### GOING CONCERN

The financial statements are prepared on a going concern basis, on the basis of the continuing financial support of the ultimate controlling parties. The ultimate controlling parties have confirmed their intention to continue to provide financial support to enable the group to remain a going concern for a period of at least 12 months from the date that these financial statements are signed.

### BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of CPFC 2010 Limited and all of its subsidiary undertakings for the year. All financial statements are made up to 30 June 2014.

The holding company has not presented its own profit and loss account as provided by Section 408 of the Companies Act 2006.

### TURNOVER

Turnover represents income receivable from football and related commercial activities, exclusive of VAT. Gate receipts and other match day revenue are recognised as the games are played. The club also receives central distributions from the Premier League that are beyond the direct control of the officers of the club. These distributions are recognised evenly over the course of the financial year.

Revenue derived from season tickets is credited to income in the period to which it relates. Amounts received in advance are credited to deferred income in the balance sheet.

Sponsorship, advertising and similar commercial income is recognised over the duration of the respective contracts. Amounts received in advance are credited to deferred income in the balance sheet. Conferencing and banqueting receipts are recognised at the time of the event with deposits held in the balance sheet as deferred income until then or until they are refunded, whichever is the earlier.

The fixed element of broadcasting revenues is recognised over the duration of the football season whilst fees received for live coverage or highlights are taken when earned.

### GOODWILL

Goodwill represents the excess of the purchase price compared with the fair value of net assets acquired, net of impairment and amortisation. It is capitalised and written off evenly over 20 years as in the opinion of the directors this represents the period over which the goodwill is effective. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

# CPFC 2010 Limited

## ACCOUNTING POLICIES

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### TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets, other than freehold land, are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Land and buildings leasehold	20% Straight Line
Plant and machinery	20% Straight Line
Fixtures, fittings & equipment	20% Straight Line
Motor vehicles	20% Straight Line

### LEASING

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### STOCK

Stock is valued at the lower of cost and net realisable value. Cost of finished goods includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling price less further costs to completion.

### RETIREMENT BENEFITS

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

### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### PLAYER REGISTRATIONS

In accordance with FRS10, player registrations are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over the duration of a player's contract. Player registrations are written down for impairment where the carrying value exceeds the amount recoverable through use or sale and the reduction in value considered permanent.

### PLAYER'S TRANSFER FEES

Fees receivable from other football clubs on the transfer of players' registrations together with associated costs, are dealt with through the profit and loss account in the accounting period in which the agreement to transfer the player's registration takes place. Signing on fees are accounted for as a prepayment and are amortised over the period of the player's contract.

# CPFC 2010 Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2014

### 1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The total turnover of the group for the year has been derived from its principal activity, wholly undertaken in the United Kingdom.

	2014 £	2013 £
Gate Receipts	9,341,611	6,183,506
Sponsorship and advertising	1,669,392	763,178
Broadcasting (FA and League Income)	74,183,806	3,885,766
Other commercial activities	3,172,684	2,241,249
Other Income	2,033,813	1,439,059
	<u>90,401,306</u>	<u>14,512,758</u>
	2014 £	2013 £
2 OTHER OPERATING EXPENSES (NET)		
Administration expenses	10,758,997	4,353,413
	<u></u>	<u></u>
	2014 £	2013 £
3 INTEREST RECEIVABLE AND SIMILAR INCOME		
Bank interest received	97,161	17,262
	<u></u>	<u></u>
	2014 £	2013 £
4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
Profit on ordinary activities before taxation is stated after charging:		
Amortisation of intangible fixed assets	5,700,121	830,882
Impairment of player registration	816,667	-
Depreciation and amounts written off tangible fixed assets	1,026,702	377,305
Operating lease rentals:		
Plant and machinery	7,916	62,082
Auditors' remuneration		
– Statutory audit	27,500	26,250
– Tax compliance	2,500	4,500
– Other non-audit services	8,000	6,250
Exceptional charge*	-	4,593,507
	<u></u>	<u></u>

\* The exceptional charge of £Nil (2013: £4.594m) is in respect of a one-off cost incurred in gaining promotion to the Premiership. The tax saving on this amount was £Nil (2013: £919,000).



# CPFC 2010 Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

	2014	2013
5 EMPLOYEES		
The average monthly number of persons (including directors) employed by the group during the year was:		
Full time players, managers and coaches	88	57
Full time administration and commercial	54	76
	<u>142</u>	<u>133</u>
	£	£
Staff costs for the above persons:		
Wages and salaries	40,359,949	16,749,882
Social security costs	5,298,989	1,979,482
Other pension costs	96,589	25,848
	<u>45,755,527</u>	<u>18,755,212</u>

The directors received £Nil remuneration during the year (2013: £Nil). No director received pension benefits during the year (2013: Nil).

# CPFC 2010 Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

	2014	2013
	£	£
6 TAXATION		
Based on the profit for the year:		
UK corporation tax on profit of the year	3,179,918	3,452
DEFERRED TAX		
Origination and reversal of timing differences	1,948,477	(1,948,477)
Tax charge/(credit) on profit on ordinary activities	<u>5,128,395</u>	<u>(1,945,025)</u>
FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK as explained below:		
Profit on ordinary activities before tax	23,011,196	1,609,171
Profit on ordinary activities multiplied by the standard rate of UK corporation tax UK of 22.5% (2013: 23.75%)	<u>5,177,520</u>	<u>382,178</u>
Effects of:		
Expenses not deductible for tax purposes	5,556	1,202
Fixed asset differences	54,787	30,538
Depreciation in excess of capital allowances	133,011	11,735
Tax losses utilised	(2,202,207)	(421,971)
Other tax adjustments	11,251	(230)
	<u>(1,997,602)</u>	<u>(378,726)</u>
Current tax charge for the year	<u>3,179,918</u>	<u>3,452</u>

The company and group have estimated losses of £Nil (2013: £9,825,706) available for carry forward against future trading profits subject to agreement with HM Revenue and Customs.

## 7 RESULT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

As permitted by Section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The parent company's loss for the financial year was £Nil (2013: £Nil).

**CPFC 2010 Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2014

8	INTANGIBLE FIXED ASSETS				<i>Player registration and management cost</i>	
				<i>Goodwill</i>	<i>£</i>	<i>Total £</i>
	<i>GROUP</i>					
	Cost					
	1 July 2013			8,383,346	2,710,000	11,093,346
	Additions			-	20,049,114	20,049,114
	Disposals			-	(700,000)	(700,000)
	30 June 2014			8,383,346	22,059,114	30,442,460
	Amortisation					
	1 July 2013			8,383,346	1,314,996	9,698,342
	Charged in the year			-	5,700,121	5,700,121
	Disposal			-	(250,420)	(250,420)
	Impairment			-	816,667	816,667
	30 June 2014			8,383,346	7,581,364	15,964,710
	Net book value					
	30 June 2014			-	14,477,750	14,477,750
	30 June 2013			-	1,395,004	1,395,004

9	TANGIBLE FIXED ASSETS	<i>Freehold land and buildings</i>	<i>Land and buildings leasehold</i>	<i>Plant and machinery</i>	<i>Fixtures, fittings and equipment</i>	<i>Motor vehicles</i>	<i>Total</i>
	<i>GROUP</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
	Cost						
	1 July 2013	4,188,617	747,110	790,862	292,021	22,000	6,040,610
	Additions	2,413,377	-	1,298,494	1,795,737	51,253	5,558,861
	30 June 2014	6,601,994	747,110	2,089,356	2,087,758	73,253	11,599,471
	Depreciation						
	1 July 2013	167,544	342,426	189,468	91,010	4,400	794,848
	Charged in the year	75,848	148,514	399,847	395,530	6,963	1,026,702
	30 June 2014	243,392	490,940	589,315	486,540	11,363	1,821,550
	Net book value						
	30 June 2014	6,358,602	256,170	1,500,041	1,601,218	61,890	9,777,921
	30 June 2013	4,021,073	404,684	601,394	201,011	17,600	5,245,762

The company held no assets during the year.

# CPFC 2010 Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

10	FIXED ASSET INVESTMENTS	<i>Shares in group undertakings £</i>
	COMPANY	
	Cost	
	1 July 2013 and 30 June 2014	1,000,001
	Impairment	
	1 July 2013 and 30 June 2014	(1,000,000)
	Net book value	
	30 June 2014 and 30 June 2013	1

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

The company holds more than 20% of the equity (and no other share or loan capital) of the following undertakings:

<i>Subsidiary undertakings:</i>	<i>Country of registration/ incorporation</i>	<i>Class of holding</i>	<i>Proportion directly held</i>	<i>Nature of business</i>
CPFC Limited	England	Ordinary	100%	Football Club
CPFC Selhurst Park Limited	England	Ordinary	100%	Stadium management

# CPFC 2010 Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2014

### 11 STOCKS

	<i>Group</i>		<i>Company</i>	
	2014 £	2013 £	2014 £	2013 £
Finished goods and goods for resale	155,717	33,812	-	-

### 12 DEBTORS

	<i>Group</i>		<i>Company</i>	
	2014 £	2013 £	2014 £	2013 £
Due within one year:				
Trade debtors	909,719	803,289	-	-
Debtors arising from football transfers	-	8,526,667	-	-
Other debtors	581,764	398,317	830	830
Prepayments and accrued income	1,136,543	430,608	-	-
Deferred tax asset (Note 14)	-	1,948,477	-	-
	<u>2,628,026</u>	<u>12,107,358</u>	<u>830</u>	<u>830</u>
Due after more than one year:				
Amounts owed by group undertakings	-	-	15,450,000	15,450,000

### 13 CREDITORS: Amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	2014 £	2013 £	2014 £	2013 £
Trade creditors	4,496,224	1,254,116	-	-
Creditors arising from football transfers	2,674,000	470,000	-	-
Other taxation and social security costs	4,934,234	1,192,458	-	-
Other creditors	40,575	13,283	-	-
Accruals and deferred income	12,661,185	10,680,467	-	-
Other loans	10,700,000	10,700,000	10,700,000	10,700,000
Corporation tax	3,179,918	-	-	-
	<u>38,686,136</u>	<u>24,310,324</u>	<u>10,700,000</u>	<u>10,700,000</u>

Included within accruals and deferred income is £5,418,974 (2013: £4,177,072) in relation to amounts received in advance in respect of season ticket sales. This income is to be released to the profit and loss account in the period to which it relates.

Other loans are secured by debenture with the various parties that have provided funding. No interest is charged on intercompany loans or loans from shareholders. The balance is repayable on demand.

During the year the group have restated the comparative figure for trade creditors and split the amount between Trade creditors and Creditors arising from football transfers to disclose those amounts due to other football clubs in respect of transfer activity.

**CPFC 2010 Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2014

14	PROVISIONS FOR DEFERRED TAX	2014 £	
	<i>GROUP</i>		
	The deferred tax asset (included in Debtors, Note 12) is made up as follows:		
	Balance at 1 July 2013	(1,948,477)	
	Profit and loss account	1,948,477	
	Balance at 30 June 2014	-	
		2014 £	2013 £
	Accelerated capital allowances	-	18,045
	Short term timing differences	-	(1,380)
	Tax losses carried forward	-	(1,965,142)
		-	(1,948,477)
15	ACCRUALS AND DEFERRED INCOME		
		<i>Deferred income</i>	
		2014	2013
	<i>GROUP</i>	£	£
	Advance season tickets	114,058	167,539
	Deferred income relates to advance season ticket sales relating to amounts due after more than one year. Revenue derived from season ticket sales is recognised in the profit and loss account in the period to which they relate.		
16	PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS		
	The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund. Contributions totalling £6,900 (2013: £6,900) were payable to the fund at the year end and are included in creditors.		
		2014 £	2013 £
	Defined contribution		
	Contributions payable by the group for the year	96,589	25,848

**CPFC 2010 Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2014

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17	SHARE CAPITAL	2014 £	2013 £
	Allotted, called up and fully paid Ordinary shares of £1 each	5,750,000	5,750,000
		<u>          </u>	<u>          </u>
18	PROFIT AND LOSS ACCOUNT	<i>Group</i> £	<i>Company</i> £
	Balance at 1 July 2013	(8,156,739)	(999,169)
	Profit for the year	17,882,801	-
	Balance at 30 June 2014	9,726,062	(999,169)
		<u>          </u>	<u>          </u>
19	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT	2014 £	2013 £
	GROUP		
	Profit after taxation	17,882,801	3,554,196
	Opening shareholders' deficit	(2,406,739)	(5,960,935)
	Closing shareholders' funds/(deficit)	15,476,062	(2,406,739)
		<u>          </u>	<u>          </u>
	COMPANY		
	Loss after taxation	-	-
	Opening shareholders' funds	4,750,831	4,750,831
	Closing shareholders' funds	4,750,831	4,750,831
		<u>          </u>	<u>          </u>

# CPFC 2010 Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2014

20	CASH FLOWS	2014 £	2013 £
a.	Reconciliation of operating profit/(loss) to net cash inflow from operating activities		
	Operating profit/(loss)	23,638,282	(12,290,614)
	Depreciation of tangible fixed assets	1,026,702	377,305
	Amortisation of player registrations	5,700,121	830,882
	Increase in stocks	(121,905)	(5,983)
	Decrease in debtors	7,530,855	1,300,081
	Increase in creditors	11,145,865	8,110,622
	Net cash inflow/(outflow) from operating activities	48,919,920	(1,677,707)
b.	Analysis of cash flows for headings netted in the cash flow		
	<b>Player registration</b>		
	Payments for purchase of players	(20,049,114)	(1,050,000)
	Receipts from sale of players	542,000	5,991,862
	Net cash (outflow)/inflow for player registration	(19,507,114)	4,941,862
	<b>Returns on investments and servicing of finance</b>		
	Interest received	97,161	17,262
	Net cash inflow for returns on investments and servicing of finance	97,161	17,262
	<b>Capital expenditure and financial investment</b>		
	Purchase of tangible fixed assets	(5,558,861)	(500,297)
	Net cash outflow for capital expenditure and financial investment	(5,558,861)	(500,297)
	<b>Financing</b>		
	Capital element of hire purchase contracts	-	(40,104)
	Net cash outflow from financing	-	(40,104)



# CPFC 2010 Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2014

### 20 CASH FLOWS *(continued)*

c	Analysis of net (debt)/funds	<i>At</i> <i>1 July 2013</i> £	<i>Cash flow</i> £	<i>At</i> <i>30 June 2014</i> £
	Cash at bank and in hand	3,289,188	23,947,654	27,236,842
	Debt due after one year	(10,700,000)	-	(10,700,000)
	Total	(7,410,812)	23,947,654	16,536,842

### 21 COMMITMENTS UNDER OPERATING LEASES

At 30 June 2014 the group had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiring in the first year	-	-

### 22 CAPITAL COMMITMENTS

	<i>Group</i>		<i>Company</i>	
	2014 £	2013 £	2014 £	2013 £
Contracted for but not provided in the financial statements	3,021,000	2,560,000	-	-

### 23 ULTIMATE CONTROLLING PARTY

The group is controlled by four shareholders with equal shareholding, hence there is no ultimate controlling party.

### 24 POST BALANCE SHEET EVENTS

In the post year end period the group has contracted for the sale and purchase of a number of players. The cost of these purchases amounted to £13,000,000 (2013: £16,266,080), proceeds totalling £1,000,000 (2013: £100,000) are due in respect of player sales.

# CPFC 2010 Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2014

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### 25 RELATED PARTY TRANSACTIONS

#### *GROUP*

Included within Creditors are amounts payable to the following related parties:

	2014	2013
S Parish (director and shareholder)	£3,012,500	£3,012,500
Farr Vintners Limited (a company controlled by S Browett, a director and shareholder)	£3,012,500	£3,012,500
J Hosking (shareholder)	£3,012,500	£3,012,500
Churchill Properties (Southern) Limited (a company controlled by M Long, a director and shareholder)	£1,662,500	£1,662,500

Included within turnover are amounts of:

During the year £158,995 (2013: £44,706) was invoiced to Farr Vinters Limited, a company in which S Browett (a director and shareholder) is a director in respect of matchday hospitality. In addition to this, £ 59,373 (2013: £16,969) was charged by Farr Vinters Limited, a company in which S Browett (a director and shareholder) is a director in respect of purchases of matchday wine. At 30 June 2014 £Nil (2013: £Nil) remained outstanding and was included within trade creditors.

### 26 CONTINGENT LIABILITIES

Under the terms of certain contracts with other football clubs in respect of player transfers and contracts with current playing staff, additional payments would be payable by the group if the conditions of those contracts were to be met. The maximum amount payable if all conditions were to be met is £10,445,440 (2013: £4,434,818). Of this amount £5,110,000 (2013: £3,999,000) is dependent on the Club retaining Premiership status.

None of the above mentioned amounts have been provided for in the financial statements.