

Company Registration No. 1706358

**Tottenham Hotspur Limited**  
("Tottenham Hotspur" or "the Company")

**Annual Report and Financial Statements**  
30 June 2013

The Directors present their Annual Report on the affairs of Tottenham Hotspur Ltd and its subsidiary companies ('Group') together with the Financial Statements and Auditor's Report for the year ended 30 June 2013.

#### **Principal activities and business review**

The principal activities of the Group continue to be the operation of a professional football club in England together with related commercial activities. In addition, the Group continues to acquire, hold and dispose of numerous properties with a view to constructing a new stadium development.

#### **Financial highlights**

Revenue for the year was £147.4m (2012: £144.2m) while operating profit excluding football trading was £10.5m (2012: £14.2m).

#### **Revenue**

Premier League gate receipts rose to £22.2m (2012: £21.4m). The Stadium continued to sell out for all Premier League home games further underlining the need for an increased capacity stadium to meet demand and satisfy a waiting list that rose to over 41,000 during this period.

The Club had a successful run to the quarter finals of the UEFA Europa League and as a result gate receipts and prize money from UEFA competitions rose to £10.4m (2012: £6.4m).

Revenue from the domestic cup competitions earned the Club £0.9m (2012: £3.5m) having been eliminated at the fourth round stage of both cups.

Media and broadcasting revenues decreased to £57.3m (2012: £59.2m) due to finishing a place lower in the Premier League in 5<sup>th</sup> (2012: 4<sup>th</sup>) and a lower number of live televised games.

Sponsorship and corporate hospitality income increased by 6% to £37.3m from £35.1m. Merchandising revenue also increased by 5% to £9.7m (2012: £9.2m).

#### **Operating expenses (excluding football trading)**

Operating expenses before football trading increased compared to last year at £136.9m (2012: £130.0m). The main reasons for this increase were higher player salaries and an increase in the cost of operating the new training ground facility compared to the previous site.

#### **Profit from operations**

Profit from operations, excluding football trading and before depreciation was £23.4m (2012: £23.0m) and after deducting depreciation and restructuring costs was £10.5m (2012: £14.2m), the significant reason for the reduction in this profit figure was a large increase in the restructuring and depreciation figure from £8.8m in 2012 to £12.9m in 2013, due partly to depreciation beginning on the opening of the new training centre and an impairment of certain historic Northumberland Development professional fees.

#### **Amortisation and impairment of intangible assets**

Amortisation and impairment of intangible assets and other football trading-related income and expenditure has risen slightly to £25.4m (2012: £25.0m).

#### **Profit on disposal of intangible assets**

Profit on the disposal of intangible assets was £26.3m for the financial year (2012: £9.2m) which included the sales of Luka Modric to Real Madrid, Rafael van der Vaart to Hamburg, Niko Kranjcar to Dynamo Kiev, Steven Pienaar to Everton, Sebastien Bassong to Norwich and David Button to Charlton.

#### **Net finance expenses**

Finance costs have risen to £8.2m (2012: £5.8m) and finance income has increased to £0.5m (2012: £0.1m). The main reason for increased finance costs is the higher notional interest on deferred payments for player registrations.

#### **Profit for the period**

The Group made a profit after taxation of £1.5m (2012: loss of £4.3m).

The Club continues to comply with UEFA Financial Fair Play criteria and supported its further integration into the Premier League.

### Balance sheet

The Group has continued to invest significantly in the Northumberland Development Project (NDP) and the new Training Centre was opened during the year. The Group also sold the northern end of the NDP site, and some additional smaller properties. This generated £5.6m of profit on disposal and as a result the carrying value of property, plant and equipment has decreased in the year from £186.7m to £169.0m and all related funding was repaid.

Intangible assets have risen from £58.0m in 2012 to £73.2m in 2013 due to the significant purchase of players such as Mousa Dembele, Gylfi Sigurdsson, Hugo Lloris, Jan Vertonghen, Emmanuel Adebayor, Clint Dempsey and Lewis Holtby. These purchases were offset in part by the disposals mentioned above.

Group net assets are £78.4m (2012: £76.9m) whilst net debt has fallen from £70.1m to £54.8m due to the repayment of the Bank of Scotland loan facility.

### Cash flow

The Group had a net cash inflow from its operations of £14.2m for the year (2012: £26.6m).

The Group had a cash outflow of £42.6m (2012: £27.2m) to acquire players and received £46.0m (2012: £33.6m) of cash inflows from player sales.

The other major cash movement was the £22.6m repayment of the Bank of Scotland loan facility. The Group also repaid £5.2m (2012: £6.1m) of other borrowings during the year.

### Five-year review

	June 2013 £'000	June 2012 £'000	June 2011 £'000	June 2010 £'000	June 2009 £'000
<b>Revenue</b>	147,392	144,156	163,486	119,814	113,012
Profit from operations excluding football trading and before restructuring and depreciation	23,393	23,023	37,578	25,444	24,054
Restructuring and depreciation	(12,894)	(8,828)	(5,284)	(2,770)	(5,664)
Operating profit before football trading	10,499	14,195	32,294	22,674	18,390
Amortisation of registrations and other football-related income and expenditure	(25,381)	(25,000)	(39,450)	(39,466)	(38,099)
Profit on disposal of intangible fixed assets	26,343	9,200	8,573	15,250	56,500
<b>Profit/(loss) before interest and taxation</b>	11,461	(1,605)	1,417	(1,542)	36,791
Net interest payable	(7,779)	(5,699)	(1,015)	(4,997)	(3,393)
<b>Profit/(loss) on ordinary activities before taxation</b>	3,682	(7,304)	402	(6,539)	33,398
Taxation	(2,154)	3,021	267	(108)	(10,234)
<b>Retained profit/(loss)</b>	1,528	(4,283)	669	(6,647)	23,164
<b>Net assets</b>					
Intangible assets	73,204	57,955	101,215	115,660	128,432
Property plant and equipment	168,951	186,693	150,299	123,552	103,338
Net current liabilities	(92,319)	(87,724)	(78,439)	(63,531)	(44,964)
<b>Total assets less current liabilities</b>	149,836	156,924	173,075	175,681	186,806
Provisions and creditors – amounts falling due after more than one year	(71,411)	(80,027)	(91,592)	(105,180)	(124,743)
<b>Net assets</b>	78,425	76,897	81,483	70,501	62,063

### **Financial risk management objectives and policies**

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

The Group addresses cash flow risk by carefully managing its working capital inflows and outflows. The Group hedges its interest exposure by using fixed interest rate facilities where it is deemed appropriate. The Group is exposed to foreign currency exchange risk through its player transactions but manages its working capital inflows and outflows to minimise any material foreign exchange risk. The Group does not enter into complex financial instruments for speculative purposes. Further information is provided in note 17 to the financial statements.

### **Results and dividends**

The audited consolidated income statement for the year ended 30 June 2013 is set out on page 7.

The Directors have not recommended the payment of a dividend (2012: £nil).

### **Post balance sheet events**

Details of post balance sheet events are given in note 25 to the accounts.

### **Directors**

None of the Directors who served during the year held a beneficial interest in the ordinary share capital of the Company at 30 June 2013. For a full list of Directors please refer to page 44.

Daniel Levy and certain members of his family are potential beneficiaries of a discretionary trust which ultimately owns 29.41% of the share capital of ENIC International Limited (ENIC).

At the year end ENIC held 182,111,021 ordinary shares of Tottenham Hotspur Limited representing 85.46% of those in issue and therefore are the ultimate parent of Tottenham Hotspur Limited.

Matthew Collecott is a trustee of the Tottenham Hotspur Foundation, an unpaid position to assist the direction and performance of the Charity.

Details of the Directors' emoluments are given in note 5 of the consolidated accounts. Directors' interests in contracts are disclosed in note 22.

### **Disclosure of information to the auditor**

In the case of each of the persons who are Directors of the Company at the date when this report was approved:

so far as each of the Directors is aware, there is no relevant audit information (as defined by the Companies Act 2006) of which the Company's auditor is unaware; and each of the Directors has taken all of the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provision of Section 418 of the Companies Act 2006.

### **Charitable and political donations**

The Group made cash donations of £22,266 to international, UK-based and local charities during the year (2012: £51,002). The Group made no political donations during the year (2012: £nil). The Group made contributions with a value in excess of £0.5m to the Tottenham Hotspur Foundation during the current and previous years and continues to underwrite the ongoing good works of the charity. In addition, the Group makes many other contributions of Tottenham Hotspur Football Club memorabilia to local registered charities, especially in the Haringey and Enfield districts and adjacent catchment areas.

### **Disabled employees**

Applications for employment by disabled persons are always considered fully, 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 within the Group continues and appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled people should, as far as possible, be identical to that of other employees.

### **Employees consultation**

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the Group. This is achieved by departmental meetings and intranet notices.

**Supplier payment policy**

The Group's policy on payment of creditors is to negotiate payment terms when agreeing the terms of each transaction. In the majority of cases this involves payment within 30 days of the invoice date; however, where discounts are available it is generally the policy to pay earlier and benefit accordingly. Trade payables at 30 June 2013 represented 82 days (2012: 77 days) of annual purchases. This figure excludes contracted creditors in respect of player purchases and capital costs which are paid on their contractual due dates.

**Tangible fixed assets**

In the opinion of the Directors, the current open market value of the Group's interests in land and buildings is in line with the book value.

**Going concern**

The Board of Directors continually monitors the Group's exposure to a range of risks and uncertainties, including the success of the First Team and our level of spending thereon, the current economic downturn and the need for additional funding requirements of a new stadium development. These risks and uncertainties, the Group's financial performance and position for the year and its cash flows and funding position, are detailed elsewhere in the Directors' Report. In addition, note 17 to the financial statements includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposure to credit and liquidity risk. The Directors believe that these risks and uncertainties are mitigated by, inter alia, the robust nature of our business with long-term fixed revenues from the key business areas, notably the FA Premier League (FAPL) TV deal.

The Board of Directors has recently undertaken a thorough review of the Company's budgets and forecasts and has produced detailed and realistic cash flow projections. These cash flow projections which, when considered in conjunction with the Group's existing loans, overdrafts and cash, which include consideration of reasonably possible changes in trading performance and available banking facilities, demonstrate that the Group will have sufficient working capital for the foreseeable future. The Board of Directors acknowledges that the capital structure of the business will change as the Northumberland Development Project (NDP) progresses, and is satisfied the necessary level of funding can be obtained. Consequently, the Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future and the financial statements have been prepared on the going concern basis.

**Directors' indemnities**

The Group has not made any qualifying third-party indemnity provisions for the benefit of its Directors during the year.

**Auditor**

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

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



M J Collecott  
Secretary

16 December 2013

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the parent company 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 the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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 corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

We have audited the financial statements of Tottenham Hotspur Limited for the year ended 30 June 2013 which comprise the Group income statement, the Group and Parent Company balance sheets, the Group cash flow statement, the Group statement of changes in equity, the Parent Company reconciliation of movements in shareholders' funds and the related notes 1 to 25. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements 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 explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent 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 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2013 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.



Nigel Mercer (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom  
16 December 2013

Consolidated income statement  
for the year ended 30 June 2013

	Notes	2013			2012		
		Operations, excluding football trading* £'000	Football trading* £'000	Total £'000	Operations, excluding football trading* £'000	Football trading* £'000	Total £'000
<b>Revenue</b>	2	<b>147,392</b>	-	<b>147,392</b>	144,156	-	144,156
Operating expenses	3	(136,893)	(25,381)	(162,274)	(129,961)	(25,000)	(154,961)
<b>Operating profit/(loss)</b>		<b>10,499</b>	<b>(25,381)</b>	<b>(14,882)</b>	14,195	(25,000)	(10,805)
Profit on disposal of intangible fixed assets	6	-	26,343	26,343	-	9,200	9,200
<b>Profit/(loss) from operations</b>	4	<b>10,499</b>	<b>962</b>	<b>11,461</b>	14,195	(15,800)	(1,605)
Finance income	7			458			127
Finance costs	7			(8,237)			(5,826)
<b>Profit/(loss) on ordinary activities before taxation</b>				<b>3,682</b>			(7,304)
Tax	8			(2,154)			3,021
<b>Profit/(loss) for the period</b>	19			<b>1,528</b>			(4,283)

\* Football trading represents amortisation, impairment and profit/(loss) on disposal of intangible fixed assets, and other football trading-related income and expenditure.

There were no other gains or losses in either the current or prior year, accordingly no consolidated statement of comprehensive income is presented.

All activities in the year derive from continuing operation.

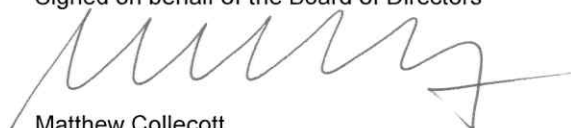


Consolidated balance sheet  
as at 30 June 2013

	Notes	2013 £'000	2012 £'000
<b>Non-current assets</b>			
Property, plant and equipment	9	168,951	186,693
Intangible assets	10	73,204	57,955
		<b>242,155</b>	<b>244,648</b>
<b>Current assets</b>			
Inventories	11	3,173	2,234
Trade and other receivables	12	23,825	19,104
Cash and cash equivalents	13	3,211	15,702
		<b>30,209</b>	<b>37,040</b>
<b>Total assets</b>		<b>272,364</b>	<b>281,688</b>
<b>Current liabilities</b>			
Trade and other payables	14	(94,992)	(96,176)
Current tax liabilities	14	(1,508)	(2,546)
Interest-bearing loans and borrowings	14	(22,542)	(25,574)
Provisions	14/16	(3,486)	(468)
		<b>(122,528)</b>	<b>(124,764)</b>
<b>Non-current liabilities</b>			
Interest-bearing overdrafts and loans	15	(35,084)	(59,632)
Trade and other payables	15	(20,216)	(6,399)
Deferred grant income	15	(2,066)	(1,963)
Deferred tax liabilities	15/16	(14,045)	(12,033)
		<b>(71,411)</b>	<b>(80,027)</b>
<b>Total liabilities</b>		<b>(193,939)</b>	<b>(204,791)</b>
<b>Net assets</b>		<b>78,425</b>	<b>76,897</b>
<b>Equity</b>			
Share capital	18	10,655	10,655
Share premium		34,788	34,788
Capital redemption reserve		633	633
Retained earnings		32,349	30,821
<b>Total equity</b>	19	<b>78,425</b>	<b>76,897</b>

These financial statements (Company number 1706358) were approved by the Board of Directors and authorised for issue on 16 December 2013.

Signed on behalf of the Board of Directors



Matthew Collecott

Consolidated statement of cash flows  
for the year ended 30 June 2013

	2013	2012
Note	£	£
<b>Cash flow from operating activities</b>		
Profit/(loss) from operations	11,461	(1,605)
<b>Adjustments for:</b>		
Amortisation and impairment of intangible assets	26,762	29,330
Profit on disposal of intangible assets	(26,343)	(9,200)
Loss/(profit) on disposal of property, plant and equipment	18	(175)
Depreciation and impairment of property, plant and equipment	12,894	5,317
Capital grants release	105	82
Foreign exchange loss/(gain)	515	(1,101)
Increase in trade and other receivables	(1,658)	(238)
Increase in inventories	(940)	(460)
(Decrease)/increase in trade and other payables	(8,590)	4,667
<b>Cash flow from operations</b>	<b>14,224</b>	<b>26,617</b>
Interest paid	(6,001)	(4,499)
Interest received	29	24
Income tax paid	(1,179)	(2)
<b>Net cash flow from operating activities</b>	<b>7,073</b>	<b>22,140</b>
<b>Cash flows from investing activities</b>		
Acquisitions of property, plant and equipment, net of proceeds	(21,195)	(47,663)
Proceeds from sale of property, plant and equipment	26,025	6,127
Acquisitions of intangible assets	(42,630)	(27,175)
Proceeds from sale of intangible assets	46,023	33,593
<b>Net cash flow from investing activities</b>	<b>8,223</b>	<b>(35,118)</b>
<b>Cash flows from financing activities</b>		
Ordinary shares redeemed	-	(303)
Proceeds from borrowings	-	14,472
Repayments of borrowings	(27,787)	(6,139)
<b>Net cash flow from financing activities</b>	<b>(27,787)</b>	<b>8,030</b>
Net (decrease) in cash and cash equivalents	(12,491)	(4,948)
Cash and cash equivalents at start of the period	15,702	20,650
<b>Cash and cash equivalents at end of year</b>	<b>13</b>	<b>3,211</b>
	<b>13</b>	<b>15,702</b>

## 1. Accounting policies and critical accounting judgements

The following accounting policies have been applied consistently by the Directors in both the current and preceding periods in dealing with items which are considered material in relation to the Group's accounts.

### Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further detail is contained in the Directors' Report on page 4.

Tottenham Hotspur Ltd is a company incorporated in the United Kingdom. The nature of the Group's operations and its principal activities are set out in the Directors' report on page 1.

### Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have also been prepared in accordance with IFRS adopted by the European Union and therefore the Group financial statements comply with Article 4 of the EU IAS regulation. The financial statements have been prepared on a historical cost basis, except for the revaluation of certain properties.

### Basis of consolidation

The Group financial statements incorporate the financial statements of Tottenham Hotspur Ltd (the 'Company') and entities controlled by the Company (its subsidiaries) made up to 30 June each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefit from its activities.

The results of subsidiaries acquired during the year are included in the consolidated income statement from the effective date of acquisition.

### Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable in the normal course of business, net of discounts, VAT and other sales-related tax.

Merchandising revenue is recognised when goods are delivered and title has passed.

Gate receipts and other matchday revenue are recognised as the games are played. Prize money in respect of cup competitions is recognised when received. Sponsorship and similar commercial income is recognised over the duration of the respective contracts. The fixed element of broadcasting revenues is recognised over the duration of the football season whilst facility fees received for live coverage or highlights are taken when earned. Merit awards are accounted for only when known at the end of the football season.

### Capital grants

Capital grants relate to amounts receivable from public bodies and football authorities and are treated as deferred income and released to the income statement over the estimated useful life of the asset concerned.

### Foreign exchange

Transactions denominated in foreign currencies are translated into Sterling and recorded at the rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in a foreign currency are translated into Sterling at the exchange rates ruling on the balance sheet dates. Translation differences are dealt with in the income statement.

### Player costs and transactions

#### (a) Initial capitalisation

The costs associated with the acquisition of players and key football management staff registrations are capitalised as intangible fixed assets. Any intangible assets acquired on deferred terms are recorded at the fair value at the date of acquisition. The fair value represents the net present value of the costs of acquiring players and key football management staff registrations.

#### (b) Amortisation discounted

These costs are fully amortised on a straight-line basis over their useful economic lives, in equal annual instalments over the period of the respective contracts. Where a contract life is renegotiated, the unamortised costs, together with the new costs relating to the contract extension, are amortised over the term of the new contract.

#### (c) Contingent consideration

Under the conditions of certain transfer agreements, further fees will be payable to the vendors in the event of the players concerned making a certain number of First Team appearances or on the occurrence of certain other specified future events. Liabilities in respect of these additional transfers are accounted for, as provisions, when it becomes probable that the number of appearances will be achieved or the specified future events will occur.

## 1. Accounting policies and critical accounting judgements (continued)

### (d) Impairment

The Group will perform an impairment review on the intangible assets if events or changes in circumstances indicate that the carrying amount of the player may not be recoverable. The Group compares the carrying amount of the asset with its recoverable amount.

The Group does not consider that it is possible to determine the value in use of an individual football player in isolation as that player (unless via a sale or insurance recovery) cannot generate cash flows on his own. Furthermore, the Group also considers that all of the players are unable to generate cash flows even when considered together. Accordingly the Group considers the smallest cash-generating unit to contain all the other First Team players, the Stadium and the training facilities.

The Group calculates the value in use of this cash-generating unit by discounting estimated expected future cash flows (being the pre-player trading cash flows generated by the Group's existing operations and any future capital expenditure on the ground and First Team squad). The Group compares this with its assessment of the fair value less costs to sell of all of the First Team players and the higher of these two numbers is deemed to be the recoverable amount.

In certain rare instances there may be an individual player whom the Group does not consider to be part of the First Team squad and who will therefore not contribute to the future cash flows earned by the cash-generating unit. This is normally due to a permanent career-threatening injury/condition or due to a serious and permanent fall out with the Group's senior football management and Directors which, as a consequence, means the Group consider it highly unlikely he will ever play for the First Team again. In this situation, the carrying value of the player is removed from the carrying value of players assessed as part of the cash-generating unit referred to above and instead this player will be assessed for impairment in isolation by considering his carrying value with the Group's best estimate of his fair value less costs to sell. The Group estimate this using one of the following sources:

- in the case of a player who has permanently fallen out with the Group's senior football management and Directors, either the agreed selling price in the event the player has been transferred subsequent to the year end; or
- if there have not been any bids for the player, management's best estimation of the disposal proceeds (less costs) of the player on an arm's length basis. This is determined by the Group's senior football management in conjunction with the Directors who will use the outcome of recent player disposals (by both the Group and other football clubs) as a basis for their estimation. Any costs to sell, such as agency costs are deducted from the fair value; or
- in the case of a player who has suffered a career-threatening injury/condition, the value attributed to the player by the Group's insurers.

### (e) Disposals

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

### (f) Remuneration

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

Liabilities in respect of player loyalty fees are provided for, as part of operating expenses, when payment becomes probable as the player is contracted to the Club and the loyalty fee is payable prior to the next transfer window at the date the accounts are signed.

### Finance costs

Finance costs of borrowings are recognised in the income statement using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the borrowing.

In accordance with IAS 39 'Financial Instruments: recognition and measurement', any non-current assets acquired on deferred terms are recorded at the discounted present value at the date of acquisition. The associated payable is then increased to the settlement value over the period of deferral, with this value being charged as a notional finance cost through the income statement.

Similarly any intangible asset disposed of on deferred terms will be initially recorded at the discounted present value of future receipts and the receivable is then increased to the settlement value over the period of deferral with this value being charged as notional finance income through the income statement.

In respect of intangible asset acquisitions, the differing rate at which the finance cost and amortisation are recognised in the income statement produces a deferred tax credit. In respect of intangible asset disposals, the finance income recognised produces a deferred tax asset. The adjustments are stated net of deferred tax.

## 1. Accounting policies and critical accounting judgements (continued)

### Tax

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profits differ from net profit as reported in the income statement because they exclude items of income or expense that are taxable or deductible in other years and they further exclude items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is charged or credited in the income statement.

### Property, plant and equipment

Freehold land is not depreciated. Leasehold property is amortised over the term of the lease. Other fixed assets are depreciated on a straight-line basis at annual rates appropriate to their estimated useful lives as follows:

Freehold properties	2%
Motor vehicles	20%
General plant and equipment	10 – 33%

The Group capitalises costs in relation to an asset when economic benefit from the asset is considered probable. Assets under the course of construction are carried at cost and include professional fees. Depreciation commences when the assets are ready for their intended use.

### Inventories

Inventories, which comprise goods held for resale, are valued at the lower of cost and net realisable value using the average cost method.

### Debt

Debt is stated initially at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the accounting period.

### Leases

Rental costs under operating leases are charged to the income statement in equal annual amounts over the periods of the leases.

### Pension costs

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

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

Under the provisions of IAS 19 'Employee Benefits' the Scheme would be treated as a defined benefit multi-employer scheme. The Scheme's actuary has advised that the participating employers' share of the underlying assets and liabilities cannot be identified on a reasonable and consistent basis and, accordingly, no disclosures are made under the provisions of IAS 19.

### Capital redemption reserve

This relates to ordinary shares bought back through the share buy back scheme.

### New standards and interpretations

The accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2012.

Other standards introduced during the period had no impact on these financial statements.

## 1. Accounting policies and critical accounting judgements (continued)

### Future accounting developments

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

- IFRS 9 'Financial Instruments';
- IFRS 10 'Consolidated Financial Statements';
- IFRS 11 'Joint Arrangements';
- IFRS 12 'Disclosure of Interests in Other Entities';
- IFRS 13 'Fair Value Measurement';
- IFRS 1 (revised) 'Government Loans';
- IFRS 7 (revised) 'Disclosures – Offsetting Financial Assets and Financial Liabilities';
- IAS 1 (revised) 'Presentation of Items of Other Comprehensive Income';
- IAS 12 (revised) 'Deferred Tax: Recovery of Underlying Assets';
- IAS 19 (revised) 'Employee Benefits';
- IAS 27 (revised) 'Separate Financial Statements';
- IAS 28 (revised) 'Investments in Associates and Joint Ventures';
- IAS 32 (revised) 'Offsetting Financial Assets and Financial Liabilities';
- IAS 36 (revised) 'Recoverable Amount Disclosures for Non-Financial Assets';
- IAS 39 (revised) 'Novation of Derivatives and Continuation of Hedge Accounting';
- IFRIC 20 'Stripping Costs in the Production Phase of a Surface Mine';
- IFRIC 21 'Levies'.

The Directors do not expect that the adoption of the other standards listed above will have a material impact on the financial statements of the Group in future periods.

### Critical accounting judgements and estimates

In the application of the Group's accounting policies, which are described herein, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The principal balances in the financial statements where changes in estimates and assumptions may have a material impact are:

#### *Contingent liabilities*

Current liabilities and provisions contain contingent bonuses payable to employees, players and clubs and are based on the best information available to management at the balance sheet date. However, the future costs assumed are inevitably only estimates, which may differ from those ultimately incurred.

#### *Recoverable amount of non-current assets*

##### *Property, plant and equipment*

All non-current assets, including property, plant and equipment and intangible assets, are reviewed for potential impairment using estimates of the future economic benefits attributable to them. Such estimates involve assumptions in relation to future ticket income, media and sponsorship revenue and on pitch performance. Any estimates of future economic benefits made in relation to non-current assets may differ from the benefits that ultimately arise, and materially affect the recoverable value of the asset.

##### *Assets under construction*

The assets classified under 'in the course of construction' relate to the Group's main ongoing capital project: the proposed Northumberland Development Project (NDP). IAS 16 requires that for an asset to be capitalised it must result in a probable economic benefit. Therefore, once this project begins its useful economic life, depreciation will begin.

The Directors have produced detailed cash flow projections and have performed sensitivity analysis on these and are confident that the NDP will proceed. The NDP will be closely monitored and any amounts capitalised, which would not be recoverable in the event that the NDP does not proceed such as a significant proportion of professional fees capitalised that are specific to the proposed stadium site and properties whose market value is below cost, would need to be written-off at that time.

##### *Current taxation*

The complex nature of tax legislation under which the Group operates necessitates the use of many estimates and assumptions, where the outcome may differ from that assumed.

##### *Financial assets and liabilities*

Financial assets and liabilities are recognised in the Group's balance sheet where the Group becomes a party to the contractual provisions of the asset/liability.

## 1. Accounting policies and critical accounting judgements (continued)

### *Impairment of financial assets*

All financial assets are assessed for indicators of impairment at each balance sheet date.

### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or they expire.

## 2. Revenue

Revenue, which is almost all derived from the Group's principal activity, is analysed as follows:

	2013 £'000	2012 £'000
<b>Revenue comprises:</b>		
Match receipts	33,491	31,303
TV and media	57,347	59,217
Commercial	56,554	53,636
	<b>147,392</b>	<b>144,156</b>

All revenue except for £588,000 (2012: £753,000) derives from the Group's principal activity in the United Kingdom and is shown exclusive of VAT.

## 3. Operating expenses

	2013 £'000	2012 £'000
Staff costs	96,087	90,206
Depreciation and impairment of property, plant and equipment	12,894	5,317
Other operating costs	27,912	34,438
<b>Operating expenses excluding football trading</b>	<b>136,893</b>	<b>129,961</b>
Amortisation, impairments and other net football trading income and expenditure	25,381	25,000
<b>Total operating expenses</b>	<b>162,274</b>	<b>154,961</b>

#### 4. Profit/(loss) from operations

This is stated after charging/(crediting) the following:

	2013 £'000	2012 £'000
Depreciation and impairment of property, plant and equipment		
– owned	12,894	5,317
Profit on disposal of property, plant and equipment	5,590	175
Amortisation of intangible fixed assets	26,762	29,330
Amortisation of grants	(104)	(82)
Charitable donations	22	51
Operating lease rentals:		
– land and buildings	393	285
– other	163	150
Foreign exchange gain	(905)	(185)

The analysis of auditor's remuneration is as follows:

	2013 £'000	2012 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts:		
– audit of the Company's accounts	15	16
– audit of the accounts of the Company's subsidiaries	76	72
Total audit fees	91	88
Fees payable to the Company's auditor for other services to the Group:		
– taxation compliance services	63	49
– taxation advisory services	133	170
– other audit related services pursuant to legislation	6	5
– other assurance services	5	5
Total non-audit fees	207	229
Total fees	298	317

Fees for the audit of the Company's subsidiaries accounts represent the fees payable to Deloitte LLP in respect of the audit of the Company's individual financial statements prepared in accordance with UK GAAP and the audit of the Company's accounts represents the audit of the Group's consolidated financial statements prepared in accordance with IFRS.



## 5. Staff numbers and costs

The average number of employees of the Group during the year, including Executive Directors, was as follows:

	2013 Number	2012 Number
Players and football administration staff	187	171
Administration staff	120	111
Retail and distribution staff	61	59
	<b>368</b>	<b>341</b>

The aggregate payroll costs of these employees were as follows:

	2013 £'000	2012 £'000
Salaries and bonuses	84,727	79,130
Social security costs	11,127	9,313
Other pension costs	233	1,763
	<b>96,087</b>	<b>90,206</b>

In addition the Group employs, on average, 565 temporary staff on match days (2012: 590).

In addition to the above payroll costs, redundancy costs of £61,351 (2012: £3,340,860) were also charged to the income statement during the year.

The total aggregate remuneration of the Directors for the year was £2,471,000 (2012: £2,853,000) including pension costs of £35,400 (2012: £35,000). Included within that remuneration are emoluments totalling £10,000 (2012: £10,000) paid to non-executive Directors. The highest paid Director received total remuneration of £1,658,000 (2012: £2,200,000), of which £550,000 (2012: £2,200,000) was paid by the ultimate parent company and re-charged to the Company as fees in both the current and prior year with £nil (2012: £110,000) outstanding at the balance sheet date. The remuneration of all other Directors was paid by the Company. The number of Directors for whom retirement benefits are accruing under a money purchase pension scheme is one (2012: one).

During the year two Directors were appointed, see page 44.

## 6. Profit on disposal of intangible fixed assets

	2013 £'000	2012 £'000
Consideration	46,023	33,699
Net book value of disposals	(19,680)	(24,499)
	<b>26,343</b>	<b>9,200</b>

**7. Finance income and costs**

	2013 £'000	2012 £'000
Interest income	29	24
Notional interest income on deferred receipts for sales of players' registrations	429	103
	<b>458</b>	<b>127</b>

	2013 £'000	2012 £'000
Interest expense	<b>(5,640)</b>	<b>(4,493)</b>
Notional interest expense on deferred payments for players' registrations	<b>(2,390)</b>	<b>(1,190)</b>
Amortisation of debt issue costs	<b>(207)</b>	<b>(143)</b>
	<b>(8,237)</b>	<b>(5,826)</b>

**8. Tax charge/(credit) on ordinary activities**

	2013 £'000	2012 £'000
<b>Current tax</b>		
UK corporation tax charge on profits for the year at 23.75% (2012: 25.5%)	-	-
Other prior year adjustments	142	3,139
Current tax charge	<b>142</b>	<b>3,139</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences in prior years	128	(5,003)
Origination and reversal of timing differences in current year	458	(272)
Rollover relief deferred in respect of players disposed of and purchased in prior years	(365)	-
Rollover relief deferred in respect of players disposed of and purchased in current year	2,376	157
Accelerated capital allowances in current year	-	(29)
Difference in tax rates	(585)	(1,013)
Deferred tax charge/(credit)	<b>2,012</b>	<b>(6,160)</b>
Total tax charge/(credit) on ordinary activities	<b>2,154</b>	<b>(3,021)</b>

## 8. Tax (credit)/charge on ordinary activities (continued)

### Total tax credit

	2013 £'000	2012 £'000
Profit/(loss) on ordinary activities before taxation	3,682	(7,304)
Tax on profit/(loss) on ordinary activities before taxation at the UK statutory rate of 23.75% (2012: 25.5%)	874	(1,863)
Expenses not deductible	1,261	663
Depreciation for which no tax relief is available	699	1,058
Effect of restating deferred tax liability at 24% (2012: 26%)	(585)	(1,014)
Other prior year adjustments	(95)	(1,865)
<b>Total tax charge/(credit) on ordinary activities</b>	<b>2,154</b>	<b>(3,021)</b>

The Finance Act 2012 substantively enacted a rate reduction such that the corporation tax rate was reduced to 24% with effect from 1 April 2012 and 23% with effect from 1 April 2013. The effective tax rate for the year is 23.75% (2012: 25.5%). Other than the provision for deferred tax (see note 16) and the items referred to above, there are no items which would materially affect future tax charges.

In the year losses of £3,078,000 were surrendered to Tottenham Hotspur Limited for consideration at the applicable tax rate from ENIC Group, a company with which the Group is under common control. No amounts remain outstanding at 30 June 2013.

## 9. Property, plant and equipment

### For the year ended 30 June 2013

Group	Land and buildings		Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Total £'000
	Freehold £'000	Short leasehold £'000				
<b>Cost or valuation</b>						
At 1 July 2012	59,413	1	246	32,332	132,082	224,074
Additions	1,045	-	210	5,771	14,169	21,195
Disposals	(10,179)	-	(111)	(3)	(16,257)	(26,550)
Transfer from assets under construction	57,555	-	-	2,976	(60,566)	(35)
<b>At 30 June 2013</b>	<b>107,834</b>	<b>1</b>	<b>345</b>	<b>41,076</b>	<b>69,428</b>	<b>218,684</b>
<b>Depreciation and impairment</b>						
At 1 July 2012	10,580	1	115	26,685	-	37,381
Eliminated on disposal	(444)	-	(60)	(3)	-	(507)
Charged in the year	3,005	-	43	5,229	-	8,277
Impairment	-	-	-	-	4,617	4,617
Transfer from assets under construction	-	-	-	(35)	-	(35)
<b>At 30 June 2013</b>	<b>13,141</b>	<b>1</b>	<b>98</b>	<b>31,876</b>	<b>4,617</b>	<b>49,733</b>
<b>Net book value</b>						
<b>At 30 June 2013</b>	<b>94,693</b>	<b>-</b>	<b>247</b>	<b>9,200</b>	<b>64,811</b>	<b>168,951</b>

**9. Property, plant and equipment (continued)**

Land and buildings that are currently held for the NDP have been transferred at their net book value into assets under the course of construction. In the event that the proposed NDP does not proceed, some of the £34,915,000 of professional fees capitalised to 30 June 2013 (2012: £33,594,000) may need to be written-off. In the period, capitalised professional fees totalling £4,617,000 were impaired.

During the year, properties owned by the Group were sold to TH Property Ltd, a company with which the Group is under common control. Cash consideration on disposal was determined at market value and totalled £27,589,000, resulting in a profit on disposal of £5,590,000. No amounts remain outstanding at 30 June 2013 and the entire Bank of Scotland loan was repaid.

The new Training Centre was opened during the year resulting in a transfer of £60,556,000 from assets under the course of construction to land and buildings totalling £57,555,000 and general plant and equipment totalling £2,976,000.

**For the year ended 30 June 2012**

Group	Land and buildings		Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Total £'000
	Freehold £'000	Short leasehold £'000				
<b>Cost or valuation</b>						
At 1 July 2011	59,395	1	294	26,335	96,439	182,464
Additions	5,283	-	30	1,652	40,698	47,663
Disposals	(5,741)	-	(78)	-	(234)	(6,053)
Transfer from assets under construction	476	-	-	4,345	(4,821)	-
<b>At 30 June 2012</b>	<b>59,413</b>	<b>1</b>	<b>246</b>	<b>32,332</b>	<b>132,082</b>	<b>224,074</b>
<b>Depreciation and impairment</b>						
At 1 July 2011	9,737	1	110	22,317	-	32,165
Eliminated on disposal	(49)	-	(52)	-	-	(101)
Charged in the year	892	-	57	4,368	-	5,317
<b>At 30 June 2012</b>	<b>10,580</b>	<b>1</b>	<b>115</b>	<b>26,685</b>	<b>-</b>	<b>37,381</b>
<b>Net book value</b>						
<b>At 30 June 2012</b>	<b>48,833</b>	<b>-</b>	<b>131</b>	<b>5,647</b>	<b>132,082</b>	<b>186,693</b>

**10. Intangible fixed assets**

**For the year ended 30 June 2013**

£'000

**Cost of registrations**

At 1 July 2012	153,290
Additions	61,691
Disposals	(71,291)
<b>At 30 June 2013</b>	<b>143,690</b>

**Amortisation and impairment of registrations**

At 1 July 2012	95,335
Charged in year – amortisation	26,762
Disposals	(51,611)
<b>At 30 June 2013</b>	<b>70,486</b>

**Net book value of registrations**

<b>At 30 June 2013</b>	<b>73,204</b>
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**For the year ended 30 June 2012**

£'000

**Cost of registrations**

At 1 July 2011	227,292
Additions	10,566
Disposals	(84,568)
<b>At 30 June 2012</b>	<b>153,290</b>

**Amortisation and impairment of registrations**

At 1 July 2012	126,077
Charged in year – amortisation	29,330
Disposals	(60,072)
<b>At 30 June 2012</b>	<b>95,335</b>

**Net book value of registrations**

<b>At 30 June 2012</b>	<b>57,955</b>
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Intangible assets relate entirely to the carrying value of the playing squad and are being amortised over the remaining length of the Players' contracts which are between one and five years.

**11. Inventories**

	2013 £'000	2012 £'000
Inventories	<b>3,173</b>	2,234

Inventories comprise merchandising goods held for resale.

**12. Trade and other receivables**

	2013 £'000	2012 £'000
Trade receivables due in less than one year	<b>11,128</b>	14,681
Trade receivables due in more than one year	<b>4,768</b>	735
Other receivables	<b>1,020</b>	607
Prepayments and accrued income	<b>6,909</b>	3,081
	<b>23,825</b>	19,104

Trade receivables above include £9,885,000 (2012: £7,483,000) in respect of the disposal of players' registrations.

The Directors consider the carrying amount of trade and other receivables approximates their fair value. Refer to note 17 for disclosures relating to receivables' ageing and other credit risk considerations.

**13. Cash and cash equivalents**

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits.

	2013 £'000	2012 £'000
Bank balances	<b>3,192</b>	15,687
Cash in hand	<b>19</b>	15
Cash and cash equivalents	<b>3,211</b>	15,702

The carrying amount of these assets approximates their fair value.

#### 14. Current liabilities

	2013 £'000	2012 £'000
Bank loans (secured)	21,016	24,160
Other loans (secured)	1,526	1,414
Interest-bearing loans and borrowings	22,542	25,574
Trade payables	27,558	22,956
Corporation tax liabilities	1,508	2,546
Other tax and social security	10,830	9,581
Other payables	12,183	11,848
Accruals and deferred income	44,421	51,791
Trade and other payables	96,500	98,722
Provisions (see note 16)	3,486	468
	<b>122,528</b>	<b>124,764</b>

Trade payables above include £20,862,000 in respect of the acquisition of players' registrations (2012: £13,274,000).

Accruals and deferred income include income in respect of season tickets and commercial sponsorships relating to future years.

The Directors consider that the carrying amount of trade payables approximates their fair value.

#### 15. Non-current liabilities

	2013 £'000	2012 £'000
Bank loans (secured)	15,035	38,019
Other loans (secured)	20,049	21,613
Interest-bearing loans and borrowings	35,084	59,632
Trade payables	13,672	2,290
Other payables	6,544	4,109
Trade and other payables	20,216	6,399
Deferred grant income	2,066	1,963
Deferred tax liabilities (see note 16)	14,045	12,033
	<b>71,411</b>	<b>80,027</b>

Trade payables above are all in respect of the acquisition of players' registrations.

## 15. Non-current liabilities (continued)

### Bank loans (in notes 14 and 15)

During the year a £20,000,000 short-term revolving loan which forms part of the Group's facility with HSBC Bank was drawn, which is secured against Group assets and was outstanding at the balance sheet date.

Bank loans of £1,241,000 are secured by a floating charge over the Group's assets and on certain freehold properties. These loans are being repaid over 23 years, in equal quarterly instalments which began in September 2004. Interest is charged quarterly on the outstanding amount of the loans, at a rate which tracks the Bank of England base rate. The bank loans are shown in the financial statements net of £14,000 of associated loan arrangement costs which are being amortised over the term of the loans.

The Investec Bank facility of £16,000,000 which was used to fund the construction of the new Training Ground and secured against the new Training Ground site was fully drawn. At the balance sheet date £15,000,000 is outstanding and repayable over five years. The interest on this amount is paid quarterly and tracks the London Inter Bank Offer Rate. The bank loan is shown in the financial statements net of £177,000 of associated loan arrangement costs which are being amortised over the term of the loan.

### Other loans (in notes 14 and 15)

Other loans above relate to the issue, at par, of £10,000,000 7.29% secured loan notes by the Group in November 2002 and a further issue, at par, in November 2006 of £20,000,000 7.29% secured loan notes. The £10,000,000 loan notes were used to repay short-term debt and to fund the Group's general working capital requirements. These notes are repayable in equal annual instalments over 20 years from September 2003.

The £20,000,000 loan notes are repayable in equal instalments over 16 years from September 2007.

The loan notes are secured against White Hart Lane Stadium, and future gate and corporate hospitality receipts generated at the Stadium. At the balance sheet date £21,769,000 of the loan notes are outstanding. The loan notes are shown in the financial statements net of £194,000 of associated debt issue costs which are being amortised over the term of the loan notes.



**15. Non-current liabilities (continued)**

The maturity profile of the Group's total borrowings at the balance sheet date which have been discounted using the Group's weighted average cost of capital and which do not include interest payments are as follows:

	2013			2012		
	Principal £'000	Interest £'000	Total £'000	Principal £'000	Interest £'000	Total £'000
<b>Bank loans and overdraft</b>						
In one year or less or on demand	21,016	4	21,020	24,160	225	24,385
In more than one year but not more than two years	1,060	-	1,060	4,174	-	4,174
In more than two years but not more than five years	13,206	-	13,206	23,584	-	23,584
In more than five years	940	-	940	10,261	-	10,261
	<b>36,222</b>	<b>4</b>	<b>36,226</b>	<b>62,179</b>	<b>225</b>	<b>62,404</b>
<b>Other loans</b>						
In one year or less or on demand	1,526	1,306	2,832	1,414	1,413	2,827
In more than one year but not more than two years	1,641	-	1,641	1,522	-	1,522
In more than two years but not more than five years	5,700	-	5,700	5,298	-	5,298
In more than five years	12,708	-	12,708	14,793	-	14,793
	<b>21,575</b>	<b>1,306</b>	<b>22,881</b>	<b>23,027</b>	<b>1,413</b>	<b>24,440</b>
<b>Total borrowings</b>						
In one year or less or on demand	22,542	1,310	23,852	25,574	1,638	27,212
In more than one year but not more than two years	2,701	-	2,701	5,696	-	5,696
In more than two years but not more than five years	18,906	-	18,906	28,882	-	28,882
In more than five years	13,648	-	13,648	25,054	-	25,054
	<b>57,797</b>	<b>1,310</b>	<b>59,107</b>	<b>85,206</b>	<b>1,638</b>	<b>86,844</b>

## 15. Non-current liabilities (continued)

### Interest rate profile

The Group has no financial assets excluding short-term receivables, other than the Sterling cash deposits of £3,211,000 (2012: £15,702,000) which are part of the financing arrangements of the Group. The Sterling cash deposits comprise deposits placed on the money market at call rates.

	Fixed rate borrowings				Weighted average interest rate at year end %
	Total £'000	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Weighted average time for which rate is fixed £'000	
Interest rate profile of financial liabilities (all Sterling)					
2013	57,797	36,222	21,575	7	5.5
2012	85,206	62,179	23,027	7	4.6

The floating rate borrowings are all denominated in Sterling and are referenced to London Inter Bank Offer Rate (LIBOR) and The Bank of England Base Rate.

### Borrowing facilities

As at the balance sheet date the Group had the following undrawn committed bank borrowing facilities:

	2013 £'000	2012 £'000
Expiring in one year or less or on demand	10,000	10,000
Expiring in more than one year but not more than two years	-	-
Expiring in more than five years	-	15,099
Total undrawn committed borrowing facilities	10,000	25,099

This is made up of undrawn bank borrowing facilities of £10,000,000 (2012: £10,000,000).

### Fair values

There is no material difference between the fair value and the carrying amount of the Group's financial assets or liabilities except as described below:

	2013		2012	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Other loans	21,575	21,267	23,027	22,275

Short-term receivables and liabilities have been excluded from all disclosure.

**15. Non-current liabilities (continued)**

**Treasury policy**

The Group's operations are currently funded through operating cash flow and loans. The Group hedges its interest rate exposure by using fixed interest rate facilities where deemed appropriate. The Group is exposed to foreign currency exchange risk through its player transactions but manages its working capital inflow and outflow to minimise any material foreign exchange risk. The Group does not enter into instruments for speculative purposes. All treasury transactions are reported to and approved by the Board.

**16. Provisions for liabilities**

**For the year ended 30 June 2013**

	£'000
<b>Contingent transfer fees payable</b>	
At 1 July 2012	468
Provided during the year	3,120
Released to income during the year	-
Utilised during the year	(1,196)
<b>At 30 June 2013</b>	<b>2,392</b>
<b>Provisions on player contracts</b>	
At 1 July 2012	-
Provided during the year	1,094
Utilised during the year	-
<b>At 30 June 2013</b>	<b>1,094</b>
<b>Deferred taxation</b>	
At 1 July 2012	12,033
Charged to the income statement	2,012
<b>At 30 June 2013</b>	<b>14,045</b>
<b>Total</b>	
<b>At 30 June 2013</b>	<b>17,531</b>

**16. Provisions for liabilities (continued)**

For the year ended 30 June 2012

	£'000
<b>Contingent transfer fees payable</b>	
At 1 July 2011	1,087
Provided during the year	666
Released to income during the year	(30)
Utilised during the year	(1,255)
<b>At 30 June 2012</b>	<b>468</b>
<b>Provisions on player contracts</b>	
At 1 July 2011	1,478
Provided during the year	-
Utilised during the year	(1,478)
<b>At 30 June 2012</b>	<b>-</b>
<b>Deferred taxation</b>	
At 1 July 2011	18,193
Credited to the income statement	(6,160)
<b>At 30 June 2012</b>	<b>12,033</b>
<b>Total</b>	
<b>At 30 June 2012</b>	<b>12,501</b>

The timing of the outflow of the contingent transfer fees and provisions on player contracts are dictated by the contractual provisions of the relevant agreements. These provisions are classified as current liabilities.

Deferred taxation has been provided as follows and is classified as a non-current liability:

	2013 £'000	2012 £'000
Accelerated capital allowances	3,341	2,675
Intangible fixed assets	11,162	9,610
Other timing differences	(458)	(252)
	<b>14,045</b>	12,033

## 17. Financial instruments

### Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. Strong financial capital management is an integral part of the Directors' strategy to achieve the Group's stated objectives. The Directors review financial capital reports on a regular basis and the Group finance function do so on a daily basis ensuring that the Group has adequate liquidity. The Directors' consideration of going concern is detailed in the Directors' Report. The capital structure of the Group consists of debt, which includes the borrowings disclosed in notes 14 and 15, cash and cash equivalents and equity attributable to equity holders of the parent comprising issued capital, reserves and retained earnings as disclosed in note 19 and the statement of changes in equity.

### Financial risk management objectives and policies

The Group's financial assets include cash and cash equivalents and other short-term deposits. The main purpose of these financial instruments is to finance the Group operations. The Group has other financial assets and liabilities such as trade and other receivables and trade and other payables, which arise directly from its operations. Surplus cash within the Group is put on deposit, the objective being to maximise returns on such funds whilst ensuring that the short-term cash flow requirements of the Group are met.

The carrying value of the financial assets and liabilities (with non-financial assets and liabilities shown for reconciling purposes) are analysed as follows:

	2013			2012		
	Financial	Non-financial	Total	Financial	Non-financial	Total
	assets	assets		assets	assets	
£'000	£'000	£'000	£'000	£'000	£'000	
<b>Assets</b>						
Non-current assets	-	242,155	242,155	-	244,648	244,648
Trade receivables and similar items	16,916	-	16,916	16,023	-	16,023
Cash and cash equivalents	3,211	-	3,211	15,702	-	15,702
Other current assets	-	10,082	10,082	-	5,315	5,315
<b>Total assets</b>	<b>20,127</b>	<b>252,237</b>	<b>272,364</b>	<b>31,725</b>	<b>249,963</b>	<b>281,688</b>

## 17. Financial instruments (continued)

	2013			2012		
	Financial liabilities	Non-financial liabilities	Total	Financial liabilities	Non-financial liabilities	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Liabilities</b>						
Borrowings:						
Current	(22,542)	-	(22,542)	(25,574)	-	(25,574)
Non-current	(35,084)	-	(35,084)	(59,632)	-	(59,632)
Trade and other payables	(118,914)	-	(118,914)	(94,944)	-	(94,944)
Other liabilities	-	(17,399)	(17,399)	-	(24,641)	(24,641)
<b>Total liabilities</b>	<b>(176,540)</b>	<b>(17,399)</b>	<b>(193,939)</b>	<b>(180,150)</b>	<b>(24,641)</b>	<b>(204,791)</b>
<b>Net (liabilities)/assets</b>	<b>(156,413)</b>	<b>234,838</b>	<b>78,425</b>	<b>(148,425)</b>	<b>225,322</b>	<b>76,897</b>

The Group has not used derivative financial instruments during the year. The Board will review the need for the use of derivative financial instruments in the future.

The Group has exposure to the following risks from its use of financial instruments:

- (i) market risk;
- (ii) credit risk; and
- (iii) liquidity risk.

This note presents information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing risk.

### (i) **Market risk**

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange and interest rates.

#### *Interest rate risk*

The Group is exposed to interest rate risk because entities in the Group borrow at both fixed and floating interest rates. Having borrowings at both fixed and floating rates spreads the risk of significant movements in the interest rate. The Group does not consider this risk as significant.

#### *Interest rate sensitivity analysis*

The sensitivity analysis below has been determined based on the exposure to interest rates for financial instruments at the balance sheet date. For floating rate cash deposits, the analysis is prepared assuming the amount of deposits outstanding at the balance sheet date were outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of reasonable possible changes in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 30 June 2013 would decrease/increase by £173,444 (2012: decrease/increase by £211,782). This is mainly attributable to the Group's exposure to interest rates on its floating rate loans.

## 17. Financial instruments (continued)

### *Foreign currency management*

The presentational currency of the Group is UK Sterling. The Group is exposed to currency risk due to movements in foreign currencies relative to Sterling affecting the Group's foreign currency transactions and balances.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Euro	22,502	12,098	23,803	20,424
US Dollar	-	-	5,646	4,434

These amounts principally relate to player transfer liabilities and receivables.

### *Foreign currency sensitivity analysis*

The Group is mainly exposed to the Euro. The following table details the Group's sensitivity to a 10% increase and decrease in Sterling against the Euro. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The positive number below indicates an increase in profit and retained earnings where Sterling strengthens against the Euro. For a 10% weakening of Sterling against the Euro, there would be an equal and opposite impact on profit and retained earnings.

	2013 £'000	2012 £'000
Impact on profit and other equity	124	746

### *(ii) Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Of the total trade receivable balance of £15.9m, £9.8m relates to amounts receivable from various other football clubs in relation to player trading. The maximum credit exposure relates to the total of cash and cash equivalents, and trade receivables and is £20.1m.

There are no other significant concentrations of credit risk within the Group. The maximum risk exposure relates to football creditors but this is mitigated by the governing bodies of international and national football associations.

Credit evaluations are performed on all customers requiring credit over a certain amount. The maximum credit risk exposure of the Group comprises the amounts presented in the balance sheet which are stated net of provisions for doubtful debts. The Group does not consider that it has significant concentration of credit risk.

## 17. Financial instruments (continued)

The ageing of trade receivables at the reporting date was:

	2013		2012	
	Gross receivables £'000	Provision £'000	Gross receivables £'000	Provision £'000
<b>Non-football</b>				
Not past due	2,004	-	2,173	-
Past due 0 – 30 days	3,330	-	3,065	-
Past due 31 – 90 days	511	-	1,171	-
More than 90 days	243	(38)	1,597	(65)
	<b>6,088</b>	<b>(38)</b>	<b>8,006</b>	<b>(65)</b>
<b>Football</b>				
Not past due	9,566	-	7,327	-
Past due 0 – 30 days	36	-	-	-
Past due 31 – 90 days	-	-	-	-
More than 90 days	206	-	148	-
	<b>9,808</b>	<b>-</b>	<b>7,475</b>	<b>-</b>
<b>Total</b>				
Not past due	11,570	-	9,500	-
Past due 0 – 30 days	3,366	-	3,065	-
Past due 31 – 90 days	511	-	1,171	-
More than 90 days	449	(38)	1,745	(65)
	<b>15,896</b>	<b>(38)</b>	<b>15,481</b>	<b>(65)</b>

	2013 £'000	2012 £'000
<b>Movements in the allowance for doubtful debts</b>		
At 1 July 2012	65	59
Provided during the year	38	45
Recovered during the year	(17)	-
Utilised during the year	(48)	(39)
<b>At 30 June 2013</b>	<b>38</b>	<b>65</b>

### (iii) Liquidity risk

The Group's policy is to maintain a balance of continuity of funding and flexibility through the use of loans and finance leases as applicable. The annual Group cash flow is cyclical in nature with the majority of cash inflows being received prior to the start of the playing season.

Ultimate responsibility for liquidity risk management rests with the Directors. The Directors use management information tools including budgets and cash flow forecasts to be able to constantly monitor and manage current and future liquidity.

The maturity profile of the Group's borrowings is shown on page 25 along with the Group's borrowing facilities as at the balance sheet date.

## 18. Called up share capital

	2013 £'000	2012 £'000
<b>Allotted, called up and fully paid:</b>		
213,102,209 ordinary shares of 5p each	<b>10,655</b>	10,655

During the year no (2012: 756,778) ordinary shares were bought back and cancelled by the company.



**19. Reconciliation of movements in Group shareholders' funds**

	2013 £'000	2012 £'000
<b>Opening shareholders' funds</b>	<b>76,897</b>	81,483
Profit/(loss) for the year	1,528	(4,283)
Ordinary 5p shares redeemed during the year	-	(303)
<b>Net addition/(reduction) to shareholders' funds</b>	<b>1,528</b>	(4,586)
<b>Closing shareholders' funds</b>	<b>78,425</b>	76,897

**20. Commitments**

At the balance sheet date the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2013 £'000	2012 £'000
<b>Minimum lease payments:</b>		
Within one year	375	285
Within two to five years	715	234
After five years	53	107
	<b>1,143</b>	626
<b>Capital commitments were as follows:</b>		
Contracted – normal course of business	963	293
Contracted – new Training Ground	-	5,528

**21. Net debt**

	2013 £'000	2012 £'000
Cash and cash equivalents	3,211	15,702
Bank loans	(21,241)	(21,312)
Securitisation funds	(21,769)	(23,259)
Bank loans – property	(15,000)	(41,227)
<b>Net debt</b>	<b>(54,799)</b>	(70,096)

## 22. Related party transactions

The following paragraphs give details of all related party transactions involving the Company and any of its subsidiary undertakings.

### ENIC Group companies

Amounts totalling £24,079 (2012: £8,430) including VAT were incurred during the year by the Group on behalf of ENIC Group and subsequently reimbursed by ENIC Group during the year. At the balance sheet date, £nil (2012: £nil) was due to the Group from ENIC Group.

During the year, ENIC Group invoiced the Group for £253,156 (2012: £75,330). At the balance sheet date, £nil (2012: £nil) was due to ENIC Group from the Group.

### Other

Tottenham Hotspur Foundation was established on 1 November 2006. During the year the Group invoiced the Foundation for expenses paid on their behalf of £59,815 (2012: £45,801). At the balance sheet date, £2,679 (2012: £3,788) was due to the Group from Tottenham Hotspur Foundation.

During the year, Tottenham Hotspur Foundation invoiced the Group for £4,237 (2012: £60,249). At the balance sheet date, £nil (2012: £nil) was due to Tottenham Hotspur Foundation from the Group.

Except for the balances disclosed above, there were no other balances outstanding at the balance sheet date in 2013 or 2012. All of these transactions were at arm's length.

## 23. Pensions

### Defined contribution schemes

Certain staff of the Group are members of the Football League Limited Pension and Life Assurance Scheme. Others are members of a self administered Group money purchase scheme. The assets of these schemes are held separately from those of the Group, being invested with insurance companies. The total pension cost charged during the year amounted to £47,130 (2012: £106,505).

The Group made no payments in either the current year or prior year into an Employee Funded Retirement Benefit Scheme administered by Sanne Trust Company Limited. Accordingly, no liability in respect of the scheme is recognised by the Group.

### Defined benefit scheme

The Group is advised only of its share of the deficit in the defined benefit section of The Football League Pension and Life Assurance Scheme (the 'Scheme'). The most recent actuarial valuation of the Scheme was as at 31 August 2011 and indicated that the contribution required from the Group towards making good this deficit was £642,000 at 1 September 2012. The pension cost charged during the year relating to this deficit was £nil (2012: £486,000). At the balance sheet date the Group's share of this deficit was £564,000 (2012: £649,000).

## 24. Contingent liabilities and assets

The Company, together with its subsidiaries, has given a multi-lateral undertaking to its bankers to guarantee the overdrafts of the Group companies.

Under the terms of certain contracts for the purchase of players' registrations, future payments may be due to third parties, dependent on the success of the team and/or individual players. At the balance sheet date the maximum contingent liability which has not been provided for was £11,863,000 (2012: £14,830,000).

Under the terms of certain contracts for the sale of players' registrations, future receipts may be receivable from third parties, dependent on the success of the team and/or individual players. At the balance sheet date the maximum contingent asset was £16,607,000 (2012: £12,446,000), none of which has been recognised.

The Group is satisfied that no unprovided liability will arise.

## 25. Post balance sheet events

Since the balance sheet date the following events have occurred:

- Paulinho was bought from Corinthians;
- N Chadli was bought from Twente;
- R Soldado was bought from Valencia;
- E Capoue was bought from Toulouse;
- E Lamela was bought from Roma;
- V Chiriches was bought from Steaua Bucharest;
- C Eriksen was bought from Ajax;
- S Caulker was sold to Cardiff City;
- C Dempsey was sold to Seattle Sounders;
- S Parker was sold to Fulham;
- T Huddlestone was sold to Hull City;
- G Bale was sold to Real Madrid;
- M Luongo was sold to Swindon;
- A Smith was loaned to Derby County;
- J Livermore was loaned to Hull City;
- T Carroll was loaned to Queens Park Rangers;
- B Assou-Ekotto was loaned to Queens Park Rangers.

First Team management changes include the departures of Andre Villas-Boas, Jose Mario Rocha, Luis Martens and Daniel Sousa.

Including Football League levies, the uncontingent net income from these transactions amounted to approximately £933,000.

The contingent liability from player purchases and First Team management changes amounts to approximately £12,581,000 and the contingent asset amounts to approximately £2,400,000.

On 14 August 2013 a short-term loan facility agreement of up to £50,000,000 was signed with Macon Inc, a company with which the Group is under common control. On the same date, a subscription agreement allowing conversion of a portion of the loan into redeemable preference shares was signed.


Before the end of 2013 the Company proposes to convert £40,000,000 of the above loan drawn down into 4 million preference shares of £0.001 each in the Company, to be purchased at a price of £10.00 per share by Macon Inc.

Company balance sheet  
as at 30 June 2013

	Notes	2013 £'000	2012 £'000
<b>Fixed assets</b>			
Tangible assets	2	40,078	41,771
Investments	3	2,490	2,490
		<b>42,568</b>	44,261
<b>Current assets</b>			
Stocks	4	3,173	2,234
Debtors	5	148,450	130,892
		<b>151,623</b>	133,126
<b>Creditors: amounts falling due within one year</b>	6	<b>(117,838)</b>	(100,928)
<b>Net current assets</b>		<b>33,785</b>	32,198
<b>Total assets less current liabilities</b>		<b>76,353</b>	76,459
<b>Creditors: amounts falling due after more than one year</b>	7	<b>-</b>	(24)
		<b>76,353</b>	76,435
<b>Provisions for liabilities</b>	8	<b>-</b>	(338)
<b>Net assets</b>		<b>76,353</b>	76,097
<b>Capital and reserves</b>			
Called up share capital	9	10,655	10,655
Share premium account	9	34,788	34,788
Capital redemption reserve	9	633	633
Profit and loss account	9	30,277	30,021
<b>Shareholders' funds</b>	9	<b>76,353</b>	76,097

These financial statements (Company number 1706358) were approved by the Board of Directors and authorised for issue on 16 December 2013.

Signed on behalf of the Board of Directors



Matthew Collecott

## 1. Accounting policies

The following accounting policies have been applied consistently by the Directors in both the current and preceding periods in dealing with items which are considered material in relation to the Company's accounts.

### Basis of accounting

The accounts have been prepared in accordance with applicable United Kingdom law and Accounting Standards and under the historical cost convention with the exception that certain freehold and leasehold properties have been revalued.

### Capital grants

Capital grants relate to amounts receivable from public bodies and football authorities and are treated as deferred income and released to the profit and loss account over the estimated useful life of the asset concerned.

### Foreign exchange

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

### Tangible fixed assets

Freehold land is not depreciated. Leasehold property is amortised over the term of the lease. Other fixed assets are depreciated on a straight-line basis at annual rates appropriate to their estimated useful lives as follows:

Freehold properties	2%
Motor vehicles	20%
General plant and equipment	10 – 33%

The Group has taken advantage of the transitional provisions of FRS 15 'Tangible Fixed Assets' and retained the book amounts of certain assets which were revalued prior to implementation of that Standard. The properties were last revalued at 31 July 1998 and the valuations have not subsequently been updated.

### Fixed asset investments

Investments held as fixed assets are stated at cost less provision for impairment.

### Stocks

Stocks, which comprise goods held for resale, are valued at the lower of cost and net realisable value.

### Debt

Debt is stated initially at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the accounting period.

### Leases

Rental costs under operating leases are charged to the income statement in equal annual amounts over the periods of the leases.

## 1. Accounting policies (continued)

### Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred taxation assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred taxation is not provided on timing differences arising from the sale or revaluation of fixed assets unless, at the balance sheet date, a binding commitment to sell the asset has been entered into and it is unlikely that any gain will qualify for rollover relief.

### Pension costs

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

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

## 2. Tangible assets

### For the year ended 30 June 2013

Group	Land and buildings short leasehold £'000	Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Total £'000
<b>Cost or valuation</b>					
At 1 July 2012	782	246	25,167	36,349	62,544
Additions	-	210	758	5,752	6,720
Disposals	-	(111)	-	-	(111)
<b>At 30 June 2013</b>	<b>782</b>	<b>345</b>	<b>25,925</b>	<b>42,101</b>	<b>69,153</b>
<b>Depreciation and impairment</b>					
At 1 July 2012	15	115	20,643	-	20,773
Charged in the year	16	43	3,686	-	3,745
Impairment	-	-	-	4,617	4,617
Eliminated on disposal	-	(60)	-	-	(60)
<b>At 30 June 2013</b>	<b>31</b>	<b>98</b>	<b>24,329</b>	<b>4,617</b>	<b>29,075</b>
<b>Net book value</b>					
<b>At 30 June 2013</b>	<b>751</b>	<b>247</b>	<b>1,596</b>	<b>37,484</b>	<b>40,078</b>

**2. Tangible assets (continued)**

**For the year ended 30 June 2012**

<b>Group</b>	Land and buildings short leasehold £'000	Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Total £'000
<b>Cost or valuation</b>					
At 1 July 2011	1	294	19,744	26,937	46,976
Additions	781	30	1,077	13,758	15,646
Disposals	-	(78)	-	-	(78)
Transfer	-	-	4,346	(4,346)	-
<b>At 30 June 2012</b>	<b>782</b>	<b>246</b>	<b>25,167</b>	<b>36,349</b>	<b>62,544</b>
<b>Depreciation and impairment</b>					
At 1 July 2011	1	110	16,907	-	17,018
Charged in the year	14	57	3,736	-	3,807
Eliminated on disposal	-	(52)	-	-	(52)
<b>At 30 June 2012</b>	<b>15</b>	<b>115</b>	<b>20,643</b>	<b>-</b>	<b>20,773</b>
<b>Net book value</b>					
<b>At 30 June 2012</b>	<b>767</b>	<b>131</b>	<b>4,524</b>	<b>36,349</b>	<b>41,771</b>

All assets shown are held at historical cost.

### 3 Investments held as fixed assets

Investments held as fixed assets by the Company represent the investments in subsidiary undertakings which are analysed as follows:

	Investment in subsidiary undertakings £'000
At 1 July 2012	2,490
Disposals during the year	-
At 30 June 2013	2,490

At 30 June 2013, the Company had the following interests in the subsidiary undertakings noted below, all of which are registered and operate in England and Wales:

	Shares class	Holding and voting rights
Tottenham Hotspur Football & Athletic Co. Limited – professional football club	Ordinary	100%
White Hart Lane Stadium Limited – provision of football entertainment	Ordinary	100%
Tottenham Hotspur Finance Company Limited – issuer of loan notes	Ordinary	100%
Paxton Road Limited – holds certain properties on behalf of the Group	Ordinary	100%
Stardare Limited – holds certain properties on behalf of the Group	Ordinary	100%
Star Furnishing Company Limited – holds certain properties on behalf of the Group	Ordinary	100%
Canvax Limited – holds certain properties on behalf of the Group	Ordinary	100%
Greenbay Property Limited – holds certain properties on behalf of the Group	Ordinary	100%
Northumberland Development Limited – holds certain properties on behalf of the Group	Ordinary	100%
Northwise Limited – holds certain properties on behalf of the Group	Ordinary	100%
Redbury Limited – holds certain properties on behalf of the Group	Ordinary	100%
Meldene Limited – holds certain properties on behalf of the Group	Ordinary	100%
Tottenham Hotspur Academy (Chigwell) Limited – holds certain properties on behalf of the Group	Ordinary	100%
Tottenham Hotspur Academy (Enfield) Limited – holds certain properties on behalf of the Group	Ordinary	100%
Tottenham Hotspur Property Company Limited – intermediary holding company for other companies that hold property on behalf of the Group	Ordinary	100%

### 4. Stocks

	2013 £'000	2012 £'000
Stocks	3,173	2,234

Stock comprises merchandising goods held for resale.



## 5. Debtors

	2013 £'000	2012 £'000
Trade debtors	267	141
Amounts owed by Group undertakings	147,302	130,302
Other debtors	340	211
Prepayments and accrued income	161	238
Deferred tax	380	-
	<b>148,450</b>	<b>130,892</b>

## 6. Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Bank overdraft	42,619	31,858
Bank loan	20,000	20,000
Trade creditors	2,623	6,240
Corporation tax	600	1,774
Other taxation	44	32
Other creditors	409	910
Accruals and deferred income	3,452	5,334
Amounts due to Group undertakings	48,091	34,780
	<b>117,838</b>	<b>100,928</b>

## 7. Creditors: amounts falling due after more than one year

	2013 £'000	2012 £'000
Deferred grant income	-	24

The maturity profile of the Company's financial liabilities at the balance sheet date was as follows:

	2013 £'000	2012 £'000
Bank loan		
In one year or less or on demand	20,000	20,000
In more than one year but not more than two years	-	-
In more than two years but not more than five years	-	-
	<b>20,000</b>	<b>20,000</b>
Total borrowings		
In one year or less or on demand	20,000	20,000
In more than one year but not more than two years	-	-
In more than two years but not more than five years	-	-
	<b>20,000</b>	<b>20,000</b>

### Interest rate profile

The Group has no financial assets excluding short-term debtors. The short-term revolving loan liabilities attract floating rate interest as set out in the Group financial statements.

## 7. Creditors: amounts falling due after more than one year (continued)

### Borrowing facilities

As at the balance sheet date the Company had the following undrawn committed bank borrowing:

	2013 £'000	2012 £'000
Expiring in one year or less or on demand	<b>10,000</b>	10,000

### Fair values

There is no material difference between the fair value and the carrying amount of the Company's financial assets or liabilities.

## 8. Provisions for liabilities/(assets)

	£'000
<b>Deferred taxation</b>	
At 1 July 2012	338
Credit to the profit and loss account	(718)
<b>At 30 June 2013 - Deferred tax asset</b>	<b>(380)</b>
At 30 June 2012 - Deferred tax liability	338

## 9. Reserves

For the year ended 30 June 2012

	Share capital account £'000	Shares premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
Balance as at 1 July 2012	10,655	34,788	633	30,021	76,097
Profit for the period	-	-	-	256	256
<b>At 30 June 2013</b>	<b>10,655</b>	<b>34,788</b>	<b>633</b>	<b>30,277</b>	<b>76,353</b>

The retained profit for the year, within the financial statements of the parent company, was £256,000 (2012: £626,000 loss). As permitted by the Companies Act 2006 Section 408, no separate profit and loss account is presented. The audit fee of £3,000 (2012: £3,000) is borne by another Group company in the current and prior year. No fees were paid to the Company's auditor or affiliated entities, relating to other services during the year. Refer to the Group financial statements for full disclosure of fees payable to the auditor.

The movements in the share capital and share premium accounts are disclosed in note 19 to the consolidated financial statements.

## 10. Reconciliation of movements in the Company shareholders' funds

	2013 £'000	2012 £'000
<b>Opening shareholders' funds</b>	<b>76,097</b>	77,026
Profit/(loss) for the year	<b>256</b>	(626)
Ordinary 5p shares redeemed during the year	-	(303)
Net (reduction)/addition to shareholders' funds	-	(929)
<b>Closing shareholders' funds</b>	<b>76,353</b>	75,168

Directors, officers and advisers

**Executive Chairman**

D P Levy

**Executive Directors**

M J Collecott

D Cullen (appointed 28 March 2013)

D G Eales (appointed 28 March 2013)

**Non-Executive Directors**

Sir K E Mills (Chairman of the Audit Committee)

Mr K V Watts (Chairman of the Remuneration Committee)

**Company Secretary**

M J Collecott

**Registered office**

Bill Nicholson Way

748 High Road

Tottenham

London N17 0AP

**Registered number**

1706358

**Auditor**

Deloitte LLP

Chartered Accountants and Statutory Auditor

2 New Street Square

London EC4A 3BZ

**Bankers**

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70 Pall Mall

London SW1Y 5EZ

**Nominated broker and adviser**

Seymour Pierce Limited

20 Old Bailey

London EC4M 7EN

**Registrars**

Capita Registrars

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