



**IPSWICH TOWN FOOTBALL CLUB
COMPANY LIMITED**

**DIRECTORS' REPORT & FINANCIAL STATEMENTS
REGISTERED NUMBER 315421
30 JUNE 2007**

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IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED
DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



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IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



COMPANY INFORMATION

Directors	David Sheepshanks DL (Chairman) Derek Bowden (Chief Executive) Kevin Beeston Holly Bellingham Peter Cohen (appointed 1 November 2006) Roger Finbow Andrew Goulborn (Sales and Marketing Director) Philip Hope-Cobbold DL Anna Hughes (Finance Director) John Kerr MBE DL Richard Moore
Company Secretary	Mark Andrews (appointed 1 November 2006)
Manager	Jim Magilton
Club Secretary	Sally Webb
President	Sir Bobby Robson CBE
Vice Presidents	Lord Ryder of Wensum David Rose
Registered Office	Portman Road Ipswich IP1 2DA
Company Registration Number	315421
Banker	Barclays Bank Plc 1 Princes Street Ipswich IP1 1PB
Auditor	KPMG LLP 6 Lower Brook Street Ipswich IP4 1AP
Solicitors	Prettys Solicitors Elm House 25 Elm Street Ipswich IP1 2AD Ashurst Broadwalk House 5 Appold Street London EC2A 2HA

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 June 2007

Principal activities and business review

The principal activity of the Company is the operation of a professional football club, together with related ancillary activities

The loss for the year before and after taxation amounted to £1,198,000 (2006 loss of £3,551,000), key elements of which are summarised below

In 2006-7, turnover decreased by 1%, maintaining the direct link between performance on the pitch and all types of commercial activity. Costs of sales remained at 2006 levels due to constant vigilance of obtaining value for money in every transaction

Interest charged in the year fell to £308,000 from £447,000 in 2005-6. This was because of the renegotiation with the Company's lenders. This arrangement began in January 2006 and will last until August 2007 as Club maintained Championship status

Net liabilities on the balance sheet have decreased to £7,584,000 from £7,949,000 at 30 June 2006

Principal risks and uncertainties

The principal uncertainty lies in the competitive landscape of the Championship and the consequent pressure to spend on acquiring better players in a market over which no single club has influence. The changing pattern of a partial move from season tickets to match-to-match purchases reduces the stability of the Group's cash flow. However, in the next two years, cash inflows from the sell on of a former player and Solidarity payments from the Premier League will potentially help to stabilise the Group's cash flows. The risk remains however, that the cash flow forecast can be vulnerable to unplanned material adverse swings and financial prudence remains key

Dividends

The directors do not recommend the payment of a dividend

Share capital and loan notes

In the year to 30 June 2007, the Company has issued £355,000 of convertible loan notes 2035 to the parent company, Ipswich Town plc. Also in the year, £10,000 of convertible loan notes were converted to 500 ordinary shares

Directors and directors' interests

The directors who held office during the year were as follows

David Sheepshanks
Derek Bowden
Kevin Beeston
Holly Bellingham
Peter Cohen (appointed 1 November 2006)
Roger Finbow
Andrew Goulborn
Philip Hope-Cobbold
Anna Hughes
John Kerr
Richard Moore

No director has any interest in the shares of the Company or any other group undertaking, other than the Ultimate Holding Company, Ipswich Town plc. The directors' interests in the shares of that Company are disclosed in the directors' report of that Company

Employee involvement

Within the bounds of commercial confidentiality, staff at all levels are kept fully informed of matters that affect the progress of the Company and are of interest to them as employees

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



DIRECTORS' REPORT (continued)

Disabled employees

The Company gives every consideration to applications for employment from disabled persons where the requirements of the job may be adequately covered by a disabled person. If disablement were to occur whilst employed, the Club would, wherever possible, make every effort to continue training and employing the person concerned.

Charitable donations

During the year the Company made charitable donations of £5,500 (2006: £9,206) mainly from the Company's share of proceeds from the FA Community Shield.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AGM and auditors

The Company has adopted the elective regime dispensing with the requirement to hold annual general meetings, lay accounts and reports before the Company in general meeting and to appoint auditors annually.

By order of the Board

D Sheepshanks
Chairman

Portman Road
Ipswich

17 October 2007



STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

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

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period

In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent 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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

We have audited the company's financial statements (the "financial statements") of Ipswich Town Football Club Company Limited for the year ended 30 June 2007 which comprise Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein. This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 6.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 30 June 2007 and of its loss for the year then ended, the financial statements have been properly prepared in accordance with the Companies Act 1985, and the information given in the Directors' Report is consistent with the financial statements.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor
Ipswich

17 October 2007

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



PROFIT AND LOSS ACCOUNT

For the year ended 30 June 2007

	Note	Operations (excluding player amortisation and trading) year ended 30 June 2007 £ 000s	Player amortisation and trading year ended 30 June 2007 £ 000s	Total year ended 30 June 2007 £ 000s	Total year ended 30 June 2006 £ 000s
Turnover	2	10,475	-	10,475	10,597
Cost of sales		(11,284)	(437)	(11,721)	(11,870)
Gross loss		(809)	(437)	(1,246)	(1,273)
Administrative expenses		(3,422)	-	(3,422)	(3,385)
Other operating income	3	189	-	189	156
Operating loss		(4,042)	(437)	(4,479)	(4,502)
Profit on disposal of players	4	-	3,521	3,521	1,349
(Loss) / profit before interest and taxation		(4,042)	3,084	(958)	(3,153)
Interest receivable and similar income	8			68	49
Interest payable	9			(308)	(447)
Loss on ordinary activities before taxation	5-7			(1,198)	(3,551)
Tax on loss on ordinary activities	10			-	-
Loss on ordinary activities after taxation				(1,198)	(3,551)

The above results arose wholly from continuing operations

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

There are no material differences between the results disclosed and the result as given on an unmodified historical cost basis

The notes on pages 10 to 21 form part of these financial statements

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



BALANCE SHEET

As at 30 June 2007

	Note	30 June 2007 £ 000s	30 June 2006 £ 000s
Fixed assets			
Intangible assets	11	856	844
Tangible assets	12	2,458	2,802
Investments	13	-	-
		3,314	3,646
Current assets			
Stocks	14	284	322
Debtors	15	4,115	1,441
Cash at bank and in hand		729	184
		5,128	1,947
Creditors amounts falling due within one year	16	(8,380)	(6,193)
Net current liabilities		(3,252)	(4,246)
Total assets less current liabilities		62	(600)
Creditors amounts falling due after more than one year	17	(7,646)	(7,349)
Provisions for liabilities and charges	10	-	-
Net liabilities		(7,584)	(7,949)
Capital and reserves			
Called up share capital	18	48	29
Share premium account	19	3,175	1,631
Capital redemption reserve	19	1	1
Profit and loss account	19	(10,808)	(9,610)
Shareholders' deficit		(7,584)	(7,949)

These financial statements were approved by the Board of Directors on 17 October 2007 and were signed on its behalf by

D Sheepshanks
Chairman

D Bowden
Director

The notes on pages 10 to 21 form part of these financial statements

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



NOTES

(forming part of the financial statements)

I ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

Basis of preparation

The financial statements have been prepared on a going concern basis, and in accordance with applicable accounting standards and under the historical cost accounting rules

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

As the Company is a wholly owned subsidiary of Ipswich Town plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties) The consolidated financial statements of Ipswich Town plc, within which this Company is included, can be obtained from the address given in note 24

Intangible fixed assets and amortisation

Intangible fixed assets represent transfer fees associated with the acquisition of players' registrations which are capitalised as intangible fixed assets and amortised over the period of the player's contract Further contingent payments are capitalised when the likelihood of the payment is probable Provision for any impairment in value, such as through injury or loss of form, is made when it becomes apparent that the diminution in value is permanent

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Freehold buildings	-	over 50 years
Computer equipment	-	over 3 years
Motor vehicles	-	over 4 to 5 years
Fixtures, fittings and equipment	-	over 4 to 10 years

No depreciation is provided on freehold land

Grants

Grants receivable relating to capital expenditure are treated as deferred income in the balance sheet and released to the profit and loss account over the estimated useful economic lives of the assets to which they relate Grants of a revenue nature are credited to the profit and loss account in the period to which they relate

Signing on fees

Signing on fees are charged to cost of sales over the duration of the player's contract If a player's registration is fully written down as a result of a permanent diminution in value, the amortisation of the signing on fee is accelerated accordingly Any adjustment arising on the disposal of a player's registration is included as part of the profit or loss on disposal

Leases and hire purchase contracts

Assets acquired under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their useful economic lives The outstanding future lease obligations are included in creditors and the interest element is charged to the profit and loss account over the period of the lease Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs

The Company operates various defined contribution schemes The assets of the schemes are held separately from those of the Company in independently administered funds The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period Amounts due to the Football League Limited Pension and Life Assurance Scheme (suspended in 1999), a defined benefit scheme, are charged to the profit and loss account as advised by the scheme's Actuary

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



NOTES

(forming part of the financial statements)

Stock

Stocks are stated at the lower of cost and net realisable value

Taxation

The charge or credit for taxation is based on the result for the year and takes into account deferred taxation because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Turnover

Turnover represents commercial income (comprising executive box rentals, sponsorships, retail sales and other commercial income), fees charged to a subsidiary, Ipswich Town Stadium Company Limited, for the provision of football matches at the Stadium and central and local television and radio rights and other league sponsorships. Television income is recognised in the period in which the relevant matches are televised and football match fees are charged on a by-match basis.

2 TURNOVER

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Commercial income	6,040	6,329
Television / radio	1,310	1,143
Recharges to subsidiary for games played	3,125	3,125
	10,475	10,597

3 OTHER OPERATING INCOME

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Donations from		
East Anglian Sports Association (Ipswich)	58	75
Ipswich Town Development Association	131	81
	189	156

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4 PROFIT ON DISPOSAL OF PLAYERS

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Proceeds for players' registrations sold or cancelled	3,845	1,349
Less players' registrations sold not amortised to date	(324)	-
	3,521	1,349

5 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Loss on ordinary activities before taxation is stated after charging		
Auditors' remuneration		
Audit	21	23
Other services relating to taxation	26	24
Depreciation and other amounts written off tangible fixed assets		
Owned	294	419
Leased	22	38
(Profit)/loss on sale of fixed assets	(18)	(5)
Amortisation of players' registrations	437	359
Hire of plant & machinery – rentals payable under operating leases	55	56
Hire of other assets - operating leases - ground rent	15	15
- shop & warehouse rent	97	83

6 REMUNERATION OF DIRECTORS

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Directors' emoluments	431	472
Company contributions to money purchase pension scheme	41	39
	472	511

The aggregate of the emoluments of the highest paid director in the year ended 30 June 2007 was £154,000 (2006 £200,000) and company pension contributions of £14,000 (2006 £14,000) were made to a money purchase scheme on his behalf

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

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7 STAFF NUMBERS AND COSTS

The average number of persons employed by the Company during the year, analysed by category, was as follows

	Year ended 30 June 2007		Year ended 30 June 2006	
	Full time	Part Time	Full Time	Part Time
Players	26	-	25	-
Senior coaches and scouts	8	-	8	-
Academy	11	3	10	4
Medical & kit	4	5	5	6
Regulatory & grounds	19	3	19	3
Communications	2	-	3	1
Commercial	46	13	50	12
Finance and administration	15	3	15	4
Community Trust	12	1	13	1
	143	28	148	31

The above numbers do not include non-executive directors. The Company used an average of 381 casual staff for matchdays (2006 383) and an average of 63 for coaching sessions (2006 63). 17 Youth trainees (2006 17) are also excluded from the numbers.

The aggregate payroll costs of these persons were as follows

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Wages and salaries	8,625	8,788
Social security costs	932	862
Other pension costs	201	242
	9,758	9,892

The above figures include benefits in kind but exclude £368,000 (2006 £354,000) of staff costs recharged to a subsidiary.

8 INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Bank and other interest receivable	68	49

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9 INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
On bank loans, overdrafts and loan notes	298	434
Finance charges payable in respect of finance leases and hire purchase contracts	10	13
	308	447

10 TAXATION

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Corporation tax at 30%		
Charge for the year	-	-

Factors affecting the tax credit for the current period

The current tax credit for the year is lower than the standard rate of corporation tax in the UK 30% (2006 30%)
Factors affecting the tax credit for the period, and which account for the difference between the actual rate and the standard rate, are explained below

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(1,198)	(3,551)
Current tax credit at 30% (2006 30%)	(359)	(1,065)
Effects of		
Expenses not deductible for tax purposes	21	25
Capital allowances in excess of depreciation for period	(14)	135
Effect of tax losses	392	882
Movement in short term timing differences	5	23
Income not falling into taxation	(45)	-
Total current tax (credit) (see above)	-	-

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



TAXATION (CONTINUED)

The amounts provided for deferred taxation at 30 June 2007 are as follows

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Difference between accumulated depreciation and capital allowances	-	157
Losses available for future off-set	-	-
Other timing differences	-	(157)
	-	-

The Company also has approximately £11.4 million of losses available for future offset which have not been provided

In addition, deferred tax assets arising on other timing differences amounting to £14,000 have not been provided

II INTANGIBLE FIXED ASSETS

	Player registrations £ 000s
<i>Cost</i>	
At 1 July 2006	2,712
Additions	773
Disposals	(525)
At 30 June 2007	2,960
<i>Amortisation</i>	
At 1 July 2006	1,868
Charged in year	437
Disposals	(201)
At 30 June 2007	2,104
<i>Net book value</i>	
At 30 June 2007	856
At 30 June 2006	844

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12 TANGIBLE FIXED ASSETS

<i>Cost or valuation</i>	Freehold Land and Buildings £ 000s	Motor Vehicles £ 000s	Fixtures, Fittings and Equipment £ 000s	Total £ 000s
At 1 July 2006	1,935	315	5,121	7,371
Additions	-	-	90	90
Disposals	-	(211)	(15)	(226)
At 30 June 2007	1,935	104	5,196	7,235
<i>Depreciation</i>				
At 1 July 2006	147	151	4,271	4,569
Charged in year	29	22	265	316
On disposals	-	(96)	(12)	(108)
At 30 June 2007	176	77	4,524	4,777
<i>Net book value</i>				
At 30 June 2007	1,759	27	672	2,458
At 30 June 2006	1,788	164	850	2,802

Included in the total net book value of motor vehicles and fixtures, fittings and equipment are the following amounts relating to assets held under finance leases and similar hire purchase contracts

<i>Net book values</i>	Motor Vehicles £ 000s	Fixtures, Fittings and Equipment £ 000s
At 30 June 2007	14	11
At 30 June 2006	145	15
<i>Depreciation</i>		
Year to 30 June 2007	18	4
Year to 30 June 2006	48	4

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13 FIXED ASSET INVESTMENTS

Investment in Group undertakings

The Company has the following subsidiary companies, all of which are registered in England and Wales

Name of Company	% owned	Nature of Business	Shares held
Ipswich Town Stadium Company Limited	100%	Provision of stadium facilities	1 ordinary share of £1
Ipswich Town Finance Company Limited	100%	Issuer of loan notes	1 ordinary share of £1
Ipswich Town Property Company Limited	100%	Property holding company	1 ordinary share of £1
Ipswich Town Community Trust	100%	Charity limited by guarantee	

14 STOCKS

	2007 £ 000s	2006 £ 000s
Goods for sale	284	322

15 DEBTORS

	2007 £ 000s	2006 £ 000s
Trade debtors	3,174	1,050
Other debtors	142	276
Amounts due from fellow group undertakings	614	-
Prepayments and accrued income	185	115
	4,115	1,441

Included in trade debtors are amounts totalling £2,580,000 (2006 £77,500) in respect of transfer fees receivable

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16 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £ 000s	2006 £ 000s
Bank loans (see note 17)	38	-
Obligations under finance leases and hire purchase contracts (see note 17)	14	66
Trade creditors	529	743
Other taxation and social security	757	610
Other creditors	910	609
Amounts owed under CVA	-	384
Accruals and deferred income	811	1,192
Amounts due to fellow group undertakings	5,321	2,589
	8,380	6,193

Included in trade creditors are amounts totalling nil (2006 £200,000) in respect of transfer fees payable

On 10 February 2003 Ipswich Town Football Club Company Limited ("ITFC") was granted an Administration Order by the High Court leading to the appointment of Administrators. The Administration Order allowed ITFC to retain its Football League status, to continue trading and formulate and prepare a company voluntary arrangement (CVA). On 2 May 2003 ITFC's creditors and members approved a CVA whereby debts due to creditors were rescheduled.

Under the arrangement preferential creditors received a total of 50% and unsecured creditors a total of 5% of the amounts owed. The final dividend under the CVA was paid in September 2006, allowing ITFC to be released and discharged from all of its liabilities to creditors in respect of amounts due at 10 February 2003.

In the year to 30 June 2006 and the year to 30 June 2007 there were no further costs arising from the period of administration.

17 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007 £ 000s	2006 £ 000s
Bank loans	4,972	4,962
Other creditors	118	132
Obligations under finance leases and hire purchase contracts	6	50
Amounts due to parent company	2,550	2,205
	7,646	7,349

During 2006 the Group re-negotiated the level of interest payable with regards to Loan Notes due in 2026 within the accounts of Ipswich Town Finance Company Limited. The effects of the re-negotiations were to reduce significantly the interest due for 2006 and 2007 and introduce an option such that the Group can exchange interest due to the Loan Note holder for shares within the parent company, Ipswich Town plc.

As part of the above re-negotiations, the bank loans held by the Company and Ipswich Town Property Company Limited were also re-negotiated. As a result of these negotiations the companies will not make capital repayments on the bank loans from 1 January 2006 to 31 August 2007, but interest payments will continue to be made at re-negotiated rates. Capital repayments on the Bank of Scotland loan will recommence after 1 September 2008.

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DIRECTORS' REPORT & FINANCIAL STATEMENTS 2007



CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

Bank loans include a term loan from Barclays of £4,066,000 secured against future media income streams of which £2,066,000 is due after more than five years. This carries an interest rate of 3% over base from 1 September 2008. The remaining £944,000 is a loan with Bank of Scotland secured against freehold land and buildings of which £566,000 is due after more than five years. This loan carries a principal interest rate of 2% over base from 1 September 2008.

The amount due to parent company represents Loan Note Loans due in 2035. These carry interest rates of between 6.5% and 7.75%.

The maturity of obligations under finance leases and hire purchase contracts is as follows:

	Year ended 30 June 2007 £ 000s	Year ended 30 June 2006 £ 000s
Within one year	17	74
In the second to fifth years	6	52
	23	126
Less future year charges	(3)	(10)
	20	116

18 CALLED UP SHARE CAPITAL

	Number of Shares	£
30 June 2007		
<i>Authorised</i>		
Equity Ordinary shares of 25p each	200,000	50,000
<i>Allotted, called up and fully paid</i>		
Equity Ordinary shares of 25p each	193,504	48,376
30 June 2006		
<i>Authorised</i>		
Equity Ordinary shares of 25p each	200,000	50,000
<i>Allotted, called up and fully paid</i>		
Equity Ordinary shares of 25p each	115,333	28,833

IPSWICH TOWN FOOTBALL CLUB COMPANY LIMITED

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22 PENSION COMMITMENTS

Certain staff of the Group are members of either the Football League Limited Pension and Life Assurance Scheme ('FLLPLAS'), comprising both defined benefit (suspended from 31 August 1999) and defined contribution sections, or the Football League and FA Premier League Group Pension Plan, a defined contribution scheme

Ipswich Town Football Club Company Limited is one of a number of participating employers in the FLLPLAS, it is not possible to allocate any actuarial surplus or deficit and consequently contributions are expensed in the profit and loss account as they become payable. The assets of the schemes are held separately from those of the Group, being invested with insurance companies

Following a review of the Minimum Funding Requirement (MFR) of the FLLPLAS, accrual of benefits of the final salary section of the scheme was suspended as at 31 August 1999. In light of the exceptional circumstances affecting the scheme, the trustees of the scheme commissioned an independent actuary's report on the MFR position and a substantial deficit was identified. Under the Pensions Act 1985 participating employers will be required to contribute to the deficiency. The Group was advised by the Premier League that a basis of apportionment of the deficit had been approved by the trustees and their advisors, although in practice there are a number of important issues which remain to be resolved that could impact on the final qualification of this liability. The allocation notified to Ipswich Town Football Club was £ nil for the current year (2006 £14,000)

The charge for the normal pension cost is £229,000 (2006 £267,000). At the year end, contributions totalling £35,000 (2006 £25,000) were outstanding and as at 30 June 2007 the Group had a liability of £142,000 (2006 £158,000)

23 POST BALANCE SHEET EVENTS

Player movements

Since the year end the Company has acquired the registrations of Pablo Counago, Neil Alexander, and Tommy Miller and sold Lewis Price

Financing

Since the year end the Loan Note holder has taken the balance of its entitlement to 9.98% of the issued ordinary shares of the Company as at 1 September 2007 and accordingly, the Company has issued 8,844 ordinary shares to the Loan Note holder in exchange for accrued interest to that date

In addition, the Loan Note holder has agreed to extend the arrangement reached in 2006 on the same basis such that the Loan Note holder could increase its holding in Ipswich Town plc to 14.97% as at 1 September 2008. As part of these negotiations, the arrangement regarding the bank loan (note 17) has also been extended for a further year to September 2008. Capital repayments to Bank of Scotland have recommenced, but at a reduced rate, for the year to September 2008

24 ULTIMATE HOLDING COMPANY

100% of the share capital of the Company is owned by Ipswich Town plc

The consolidated accounts of Ipswich Town plc are available to the public and can be obtained from Portman Road, Ipswich, IP1 2DA