



**IPSWICH TOWN FOOTBALL CLUB
COMPANY LIMITED**

**DIRECTORS' REPORT & FINANCIAL STATEMENTS
REGISTERED NUMBER 315421**

30 JUNE 2014

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IPSWICH TOWN FOOTBALL CLUB

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COMPANY INFORMATION

Directors	Mark Andrews Ian Milne Jonathan Symonds
Company Secretary	Mark Andrews
Manager	Mick McCarthy
Club Secretary	Sally Webb
Vice Presidents	Kevin Beeston Holly Bellingham Peter Cohen Roger Finbow John Kerr MBE DL Richard Moore David Rose David Sheepshanks CBE DL
Patron	Philip Hope-Cobbold DL
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
Main Sponsor	Marcus Evans Group



STRATEGIC REPORT

The directors present the strategic report for the year ended 30 June 2014.

Principal activity

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

Business Review

The group measures its performance using a number of key performance indicators, such as final position in the League, average League attendance and cash flow funding required.

Turnover decreased by £293,000 to £13,550,000 due to a reduction in commercial revenue and a fall in average attendance from 17,509 to 17,111. This was partly offset by an increase in Football League distributions up from £4,606,000 last season to £4,677,000 in 2013/14.

It is a key objective of the Board to reduce ongoing losses in order to meet the Football League's new Financial Fair Play rules.

Results and dividends

The results for the group are set out in the profit and loss account on page 9.

The consolidated loss for the year after taxation amounted to £7,324,000 (2013: loss of £9,776,000).

The company's loss for the period was £7,054,000 (2013: loss £9,599,000). The directors do not recommend the payment of a dividend (2013: £nil).

Principal risks and uncertainties

The directors consider that the principle risk facing both this company and the subsidiaries of Ipswich Town Football Club Limited ('the group') is the performance and the divisional status of Ipswich Town Football Club ("ITFC"). The implications that this has on the group's ability to generate revenue streams are significant. In light of this risk and the levels of debt that the group now carries it remains dependent upon ongoing financial support from its principal shareholder. The Club is regulated by the rules of the FA, Football League, UEFA and FIFA. Any changes to the regulations of these bodies could have an impact on the group as they cover areas such as competition format, distribution of media income, player eligibility and operation of the transfer market. The board ensures compliance with the relevant rules and regulations and monitors and considers the impact closely of any potential changes.

By order of the Board

I Milne
Director
Portman Road
Ipswich
19 December 2014



DIRECTORS' REPORT

The directors present their annual report and the audited consolidated financial statements for the year ended 30 June 2014.

Results and dividends

Details of the Company results and dividends are set out in the strategic report.

Going concern

Having reviewed the current financial position of the company, including current trading, budgets and future cash flow forecasts the directors have concluded the need for, and have received, ongoing financial support from the group's principal shareholder. Such ongoing support for at least 12 months from the date of these financial statements has been given, which will allow the company to continue in operational existence and meet their liabilities as they fall due for payment. Accordingly the directors consider it appropriate to continue to prepare these accounts on a going concern basis.

Directors

The directors who held office during the year were as follows:

Mark Andrews

Ian Milne

Jonathan Symonds

Employee involvement

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

Disabled employees

The group 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 group would, wherever possible, make every effort to continue training and employing the person concerned.

Creditors' payment policy

It is the group's policy to agree the terms of payments with suppliers and pay in accordance with the agreed terms and legal obligations. Transfer fees and similar transactions are such that any calculation of the number of creditor days would prove meaningless.

Political and charitable donations

During the year the group made charitable donations of £2,000 (2013: £1,500) from the company's share of proceeds from the FA Community Shield.

Disclosure of information to auditor

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 auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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DIRECTORS' REPORT (continued)

AGM and Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board

I Milne
Director
Portman Road
Ipswich

A handwritten signature in black ink, appearing to be 'I Milne', written over the printed name.

19 December 2014



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

The directors are responsible for preparing the Strategic Report, 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 group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the parent company and of their profit or loss 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IPSWICH TOWN FOOTBALL CLUB

We have audited the financial statements of Ipswich Town Football Club Company Limited for the year ended 30 June 2014 set out on pages 9 to 27. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 (Financial Reporting Council's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2014 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been properly 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 Strategic Report and 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.

Mark Prince (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
6 Lower Brook Street
Ipswich
IP4 1AP

22 December 2014

IPSWICH TOWN FOOTBALL CLUB

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CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 30 June 2014

	Note	Operations (excluding player amortisation and trading) Year ended 30 June 2014	Player amortisation and trading Year ended 30 June 2014	Total Year ended 30 June 2014	Total Year ended 30 June 2013
		£ 000s	£ 000s	£ 000s	£ 000s
Turnover	2	13,550	-	13,550	13,843
Cost of sales		(17,479)	(1,042)	(18,521)	(21,319)
Gross loss		(3,929)	(1,042)	(4,971)	(7,476)
Administrative expenses		(2,135)	-	(2,135)	(2,611)
Other operating income	3	163	-	163	200
Operating loss		(5,901)	(1,042)	(6,943)	(9,887)
(Loss)/Profit on disposal of assets	4	(1)	495	494	780
Loss before interest and taxation		(5,902)	(547)	(6,449)	(9,107)
Interest receivable and similar income	8			6	38
Interest payable and similar charges	9			(713)	(707)
Loss on ordinary activities before taxation	5			(7,156)	(9,776)
Tax on loss on ordinary activities	10			(168)	-
Loss on ordinary Activities after taxation	20			(7,324)	(9,776)

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.

The notes on pages 12 to 27 form part of these financial statements.

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CONSOLIDATED AND COMPANY BALANCE SHEETS

As at 30 June 2014

		Group		Company	
	Note	30 June 2014	30 June 2013	30 June 2014	30 June 2013
		£ 000s	£ 000s	£ 000s	£ 000s
Fixed assets					
Intangible assets	12	655	1,569	655	1,569
Tangible assets	13	23,005	23,757	1,983	2,114
Investments	14	-	-	516	516
		23,660	25,326	3,154	4,199
Current assets					
Stocks	15	457	210	457	210
Debtors	16	4,081	4,152	1,953	2,192
Cash at bank and in hand		164	63	164	56
		4,702	4,425	2,574	2,458
Creditors: amounts falling due within one year	17	(8,423)	(8,244)	(4,278)	(4,235)
Net current liabilities		(3,721)	(3,819)	(1,704)	(1,777)
Total assets less current liabilities		19,939	21,507	1,450	2,422
Creditors: amounts falling due after more than one year	18	(93,396)	(87,808)	(67,472)	(61,390)
Provisions for liabilities and charges	10	(168)	-	-	-
Net liabilities		(73,625)	(66,301)	(66,022)	(58,968)
Capital and reserves					
Called up share capital	19	4,512	4,512	4,512	4,512
Share premium account	20	3,175	3,175	3,175	3,175
Other reserve	20	1	1	1	1
Profit and loss account	20	(81,313)	(73,989)	(73,710)	(66,656)
Equity shareholders' deficit		(73,625)	(66,301)	(66,022)	(58,968)

These financial statements were approved by the Board of Directors on 19 December 2014 and were signed on its behalf by:

Mine

Director

Ipswich Town Football Club Company Limited
Company Registration number 315421

The notes on pages 12 to 27 form part of these financial statements.

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CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2014

	Note	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
Net cash outflow from operating activities	24	(3,324)	(7,126)
Returns on investments and servicing of finance	25	(15)	38
Capital expenditure (net)	25	(400)	(650)
Cash outflow before financing		(3,739)	(7,738)
Financing (net)	25	3,840	7,752
Increase in cash in the year	26	101	14

The notes on pages 12 to 26 form part of these financial statements.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

For the year ended 30 June 2014

	Group		Company	
	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s	Year ended 30 June 2014 £000s	Year ended 30 June 2013 £ 000s
Opening shareholders' deficit	(66,301)	(50,525)	(58,968)	(49,369)
Loss for the financial year	(7,324)	(9,776)	(7,054)	(9,599)
Closing shareholders' deficit	(73,625)	(66,301)	(66,022)	(58,968)



NOTES

(forming part of the financial statements)

1 ACCOUNTING POLICIES

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

Basis of preparation

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

Notwithstanding the consolidated loss for the year of £7,324,000, and net current liabilities of the company and group of £1,704,000 and £3,721,000 respectively, these financial statements have been prepared on a going concern basis for the following reason.

The company and its subsidiary undertakings remain reliant upon the group's principal shareholder for ongoing financial support. The principal shareholder has provided the directors with an undertaking that for at least 12 months from the date of approval of these financial statements that it will continue to make available such funds as are needed by the company and its subsidiary undertakings and in particular will not seek repayment of any of the amounts currently made available. This should enable the company and its subsidiary undertakings to continue in operational existence by meeting their liabilities as they fall due.

As with any company placing reliance upon another entity for financial support the directors acknowledge that there can be no certainty that this support will continue indefinitely.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 30 June 2014.

Under section 408 of the Companies Act 2006 the company is exempt from the requirement to present its own profit and loss account.

Intangible fixed assets and amortisation

Intangible fixed assets represent transfer fees and league levies associated with the acquisition of players' registrations which are capitalised as intangible fixed assets and amortised over the period of the player's contract. 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 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
Leasehold land and 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.



NOTES (continued)

Signing on fees

Signing on fees are due to players if they are still in the service of the Club on future dates specified in their contracts. They are charged to the profit and loss account as they fall due. The element of such signing on fees not yet payable is disclosed as a commitment.

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.

Classification of financial instruments issued by the Group

Following the adoption of FRS 25, financial instruments issued by the group are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the company (or group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company (or group); and
- b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Pension costs

The group operates various defined contribution schemes. The assets of the schemes are held separately from those of the group 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. The group also continues to make contributions in respect of its share of the deficit on the defined benefit section of the Football League Limited Pension and Life Assurance Scheme (suspended in 1999). As one of a participating employers the group is advised only of its share of the Scheme deficit and accordingly recognises a liability in respect of this.

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 match receipts, executive box rentals, sponsorships, commercial and other income arising from the ordinary activities of the group and excludes transfer fees receivable and value added tax. Television income is recognised in the period in which the relevant matches are televised and gate receipt income is taken to profit and loss account when the matches are played. Advance season ticket sales are included within deferred income and released to turnover in the relevant season.

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NOTES (continued)

2 TURNOVER

	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
Gate receipts	4,981	5,084
Commercial income	3,892	4,153
Television / radio	4,677	4,606
	13,550	13,843

3 OTHER OPERATING INCOME

	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
Donations from:		
East Anglian Sports Association (Ipswich)	28	39
Ipswich Town Development Association	135	161
	163	200

4 (LOSS)/PROFIT ON DISPOSAL OF PLAYERS AND ASSETS

	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
Proceeds for players' registrations sold or cancelled	495	780
Less players' registrations sold not amortised to date	-	-
	495	780

	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
Proceeds for sale of assets	3	-
Less net book value of assets sold	(4)	-
	(1)	-



NOTES (continued)

5 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	Year ended 30 30 June 2014	Year ended 30 June 2013
	£ 000s	£ 000s
Loss on ordinary activities before taxation is stated		
after charging:		
Auditors' remuneration:		
Audit of the financial statements of the company pursuant to legislation	20	18
Audit of the subsidiary undertakings pursuant to legislation	7	7
Other services	12	9
Depreciation and other amounts written off tangible fixed assets:		
Owned	805	886
Leased	-	-
Amortisation of players' registrations	1,042	2,740
Amortisation of capital raising costs	38	38
Hire of plant and machinery - under operating leases	43	35
Hire of other assets - operating leases	112	112
- ground rent		
- shop & warehouse rent	-	4
after crediting:		
Release of capital grant	(41)	(41)

6 REMUNERATION OF DIRECTORS

	Year ended 30 June 2014	Year ended 30 June 2013
	£ 000s	£ 000s
Directors' emoluments	58	170
Company contributions to money purchase pension scheme	7	19
	65	189

The aggregate of the emoluments of the highest paid director in the year ended 30 June 2014 were £58,000 (2013: £153,000) and company pension contributions of £7,000 (2013: £17,000) were made to a money purchase scheme on his behalf.

The figures for 2014 include one executive director (2013: two).



NOTES (continued)

7 STAFF NUMBERS AND COSTS

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

	Year ended 30 June 2014		Year ended 30 June 2013	
	Full time	Part time	Full time	Part time
Playing, training and football management	75	9	69	7
Administrative, commercial and stadium maintenance	57	16	61	20
	132	25	130	27

The above numbers do not include non-executive directors. The group used an average of 448 casual staff for matchdays (2013: 466) and an average of 26 for coaching sessions (2013: 16).

The aggregate payroll costs of these persons were as follows:

	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
Wages and salaries	12,514	13,450
Social security costs	1,317	1,448
Other pension costs	72	103
	13,903	15,001

The above figures include benefits in kind.

8 INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
Bank and other interest receivable	6	38



NOTES (continued)

9 INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
On loan notes	-	-
On other loans	149	143
Preference share dividend	564	564
	713	707

10 TAXATION

	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
Corporation tax at 22.5% (2013: 23.75%):		
UK corporation tax on loss for the year	-	-
Deferred tax:		
For the year	(13)	-
Adjustments in respect of prior year	181	-
Total	168	-

Factors affecting the tax charge for the current period

The current tax charge for the year is higher (2013: higher) than the standard rate of corporation tax in the UK 22.5% (2013: 23.75%). Factors affecting the tax charge for the period, and which account for the difference between the actual rate and the standard rate, are explained below.

	Year ended 30 June 2014 £ 000s	Year ended 30 June 2013 £ 000s
Current tax reconciliation		
Loss on ordinary activities before tax	(7,156)	(9,776)
Current tax credit at 22.5% (2013: 23.75%)	(1,610)	(2,322)
Effects of:		
Expenses not deductible for tax purposes	127	132
Depreciation in excess of capital allowances for the period	(64)	(78)
Effect of tax losses	1,591	2,312
Movement in short term timing differences	(25)	(14)
Income not subject to taxation	(19)	(30)
Total current tax (see above)	-	-

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NOTES (continued)

TAXATION (CONTINUED)

The amounts provided for deferred taxation at 30 June 2014 are as follows:

	Group Year ended 30 June 2014 £ 000s	Group Year ended 30 June 2013 £ 000s	Company Year ended 30 June 2014 £ 000s	Company Year ended 30 June 2013 £ 000s
Difference between accumulated depreciation and capital allowances	168	181	-	-
Other timing differences	-	(181)	-	-
	168	-	-	-

The group also has unrecognised deferred tax assets of £121,000 (2013: £38,000) in respect of general provisions and £11.6m (2013: £12.3m) in respect of unrelieved trading losses.

Factors affecting the future tax charge

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 30 June 2014 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

11 LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent Company is not presented as part of these financial statements. The parent Company's loss for the year amounted to £7,054,000 (2013: £9,599,000).

12 INTANGIBLE FIXED ASSETS

Group and Company

	Total £ 000s
Cost	
At 1 July 2013	7,335
Additions	128
Disposals	(5,037)
At 30 June 2014	2,426
Amortisation	
At 1 July 2013	5,766
Charged in year	1,042
Disposals	(5,037)
At 30 June 2014	1,771
Net Book Value	
At 30 June 2014	655
At 30 June 2013	1,569



NOTES (continued)

13 TANGIBLE FIXED ASSETS

Group

	Freehold Land and Buildings	Long Leasehold Land and Buildings	Motor Vehicles	Fixtures, Fittings and Equipment	Total
	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s
Cost					
At 1 July 2013	1,929	30,328	98	9,016	41,371
Additions	-	-	13	44	57
Disposals	-	-	(17)	-	(17)
At 30 June 2014	1,929	30,328	94	9,060	41,411
Depreciation					
At 1 July 2013	390	8,722	76	8,426	17,614
Charged in year	39	607	11	148	805
On disposals	-	-	(13)	-	(13)
At 30 June 2014	429	9,329	74	8,574	18,406
Net Book Value					
At 30 June 2014	1,500	20,999	20	486	23,005
At 30 June 2013	1,539	21,606	22	590	23,757

Freehold land is not depreciated.

Finance leases £nil.

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NOTES (continued)

13 TANGIBLE FIXED ASSETS (CONTINUED)

Company

	Freehold Land and Buildings £ 000s	Motor Vehicles £ 000s	Fixtures Fittings and Equipment £ 000s	Total £ 000s
Cost				
At 1 July 2013	1,929	98	6,483	8,510
Additions	-	13	44	57
Disposals	-	(17)	-	(17)
At 30 June 2014	1,929	94	6,527	8,550
Depreciation				
At 1 July 2013	390	76	5,930	6,396
Charged in year	39	11	134	184
On disposals	-	(13)	-	(13)
At 30 June 2014	429	74	6,064	6,567
Net Book Value At 30 June 2014	1,500	20	463	1,983
At 30 June 2013	1,539	22	553	2,114

Freehold land is not depreciated.

Finance leases £nil.



NOTES (continued)

14 FIXED ASSET INVESTMENTS

Company – 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	515,620 ordinary shares of £1
Ipswich Town Property Company Limited	100%	Property holding company	1 ordinary share of £1

Investment in subsidiaries:	Shares 000s	Total cost of investment £ 000s
At 30 June 2013	516	516
Movements in year	-	-
At 30 June 2014	516	516

15 STOCKS

	Group		Company	
	2014 £ 000s	2013 £ 000s	2014 £ 000s	2013 £ 000s
Goods for sale	457	210	457	210

16 DEBTORS

	Group		Company	
	2014 £ 000s	2013 £ 000s	2014 £ 000s	2013 £ 000s
Trade debtors	1,006	1,091	1,006	1,091
Other debtors	2,820	2,782	227	355
Amounts due from subsidiaries	-	-	465	467
Prepayments and accrued income	255	279	255	279
	4,081	4,152	1,953	2,192

Included in trade debtors are amounts totalling £298,000 (2013: £519,000) in respect of transfer fees receivable.

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NOTES (continued)

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014 £ 000s	2013 £ 000s	2014 £ 000s	2013 £ 000s
Trade creditors	1,371	1,121	1,137	1,121
Transfer fees payable	250	933	250	933
Other taxation and social security	1,334	636	1,334	636
Other creditors	549	586	549	586
Accruals and deferred income	4,919	4,968	774	959
	8,423	8,244	4,278	4,235

18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2014 £ 000s	2013 £000s	2014 £ 000s	2013 £ 000s
Transfer fees payable	-	250	-	250
Amounts due to Marcus Evans International KFT				
- Loan Notes 2026, net of issue costs	38,030	37,992	-	-
- Loan interest	-	-	-	-
- Other Loans	4,975	4,975	4,975	4,975
Amounts due to Marcus Evans Investments Limited				
- Preference share dividend	3,683	3,120	3,683	3,120
- Loan	240	250	240	250
Loan from Marcus Evans BV	31,730	29,100	31,730	29,100
Loan from Marcus Evans Group Services Ltd	1,220	-	1,220	-
Amounts due to London & Merchant Properties Ltd	193	-	193	-
Amounts due to Marcus Evans Europe Ltd	105	-	105	-
Amounts due to Linguarama Ltd	130	-	130	-
Amounts due to Marcus Evans UK Ltd	1,289	-	1,289	-
Amounts due to Ipswich Town plc	1,515	1,681	1,465	1,633
Accruals and deferred income	1,642	1,761	-	-
Other creditors	592	627	291	217
Preference shares	8,052	8,052	8,052	8,052
Amounts owed to subsidiaries	-	-	14,099	13,793
	93,396	87,808	67,472	61,390

Issue costs of £921,000 incurred in respect of the original issue of the Loan Notes 2026 have been capitalised as part of the Loan Note balance. This is being amortised over the expected life of the Loan Notes 2026. The charge for the current period was £38,000 (2013: £38,000) leaving an unamortised amount of £460,000.



NOTES (continued)

19 CALLED UP SHARE CAPITAL

	Number of shares	£
2014: Ipswich Town Football Club Company Limited		
Authorised		
Equity: Ordinary shares of 25p each	19,000,000	4,750,000
Debt: Preference shares of 25p each	35,000,000	8,750,000
Allotted, called up and fully paid		
Equity: Ordinary shares of 25p each	18,047,872	4,511,968
Debt: Preference shares of 25p each	32,208,112	8,052,028
2013: Ipswich Town Football Club Company Limited		
	Number of shares	£
Authorised		
Equity: Ordinary shares of 25p each	19,000,000	4,750,000
Debt: Preference shares of 25p each	35,000,000	8,750,000
Allotted, called up and fully paid		
Equity: Ordinary shares of 25p each	18,047,872	4,511,968
Debt: Preference shares of 25p each	32,208,112	8,052,028

The redeemable Preference Shares of 25p each have the following rights:-

- a fixed cumulative dividend at the rate of 7.0 per cent per annum (net) on capital provided there are profits available for distribution. The dividend accrues on daily basis and shall be payable on 31 July in respect of each 12 month period ended 30 June.
- redemption of all or some of the Preference Shares outstanding at any time after the expiration of a period of five consecutive seasons of the Premier League during which time the company remains in the Premier League. The Preference Shares shall rank on such a return of capital in priority to all other shares of the Company from time to time in issue.

The Preference Shares are non-voting unless the business of the meeting includes consideration of a resolution which varies the rights attached to the Preference Shares.



NOTES (continued)

20 RESERVES

Group	Share premium account £ 000s	Other reserve £ 000s	Profit and loss account £ 000s
At 1 July 2013	3,175	1	(73,989)
Retained loss for the year	-	-	(7,324)
At 30 June 2014	3,175	1	(81,313)

Company	Share premium account £ 000s	Other reserve £ 000	Profit and loss account £ 000
At 1 July 2013	3,175	1	(66,656)
Retained loss for the year	-	-	(7,054)
At 30 June 2014	3,175	1	(73,710)

21 CONTINGENT LIABILITIES

(a) Player Transfers

The Club is contractually bound to pay additional amounts in respect of transferred players should certain criteria be met. The maximum amount of this contingent liability is £215,000 (2013: £260,000) excluding amounts which have been provided for.

(b) Obligations on promotion to the Premier League

Should the Club be promoted to the Premier League at the end of the 2014-15 season, it is required to make additional payments to players, coaches, staff, players' former clubs, season ticket holders and certain Convertible Loan Note holders.

(c) Players Contracts

Signing on fees of up to a maximum of £10,000 (2013 £25,000) will become due to certain players if they are still under contract with the Club on specific future dates. In addition the Club is committed to pay bonuses to certain players up to £50,000 (2013: £50,000) which are conditional upon one or more future events.

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NOTES (continued)

22 COMMITMENTS

a) Annual commitments under non-cancellable operating leases are as follows:

Group	30 June 2014		30 June 2013	
	Land and buildings £ 000s	Other £ 000s	Land and buildings £ 000s	Other £ 000s
Operating leases which expire:				
Within one year	-	7	-	8
In the second to fifth years inclusive	-	24	-	11
Over five years	112	-	112	-
	112	31	112	19

Company – Nil

b) There are no capital commitments at the end of the financial year, therefore no provision has been made.

23 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 remaining amount payable on the provisional allocation notified to Ipswich Town Football Club is £399,081 (2013: £437,676) and accordingly provision for this amount has been made in the financial statements. Contributions of £81,348 (2013: £74,264) were paid to the scheme during the year.

Contributions paid to individuals' money purchase pension schemes were £72,067 (2013: £103,530). At the year end, contributions totaling £7,432 (2013: £19,891) were outstanding.

24 RECONCILIATION OF OPERATING LOSS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year ended 30 June 2014	Year ended 30 June 2013
	£ 000s	£ 000s
Operating loss	(6,943)	(9,887)
Amortisation of players' registrations	1,042	2,740
Depreciation	805	886
Release of capital grant	(41)	(41)
Amortisation of capital raising costs	38	38
Decrease in stocks	(247)	(56)
Increase in debtors	(150)	(36)
Increase/(decrease) in creditors	2,172	(770)
Net cash outflow from operating activities	(3,324)	(7,126)



NOTES (continued)

25 ANALYSIS OF CASH FLOWS

	30 June 2014		30 June 2013	
	£ 000s	£ 000s	£ 000s	£ 000s
Return on investments and servicing of finance				
Interest received	6		38	
Interest paid	(21)		-	
		(15)		38
Capital expenditure				
Payment to acquire tangible fixed assets	(58)		(280)	
Receipts from sale of tangible fixed assets	3		-	
Payments to acquire players registrations	(1,061)		(1,981)	
Receipts from transfer of players registrations	716		1,611	
		(400)		(650)
Financing				
Loans received	3,840		7,752	
		3,840		7,752

26 ANALYSIS OF DEBT

	At 1 July 2013 £ 000s	Cash flow £ 000s	Other non cash changes £ 000s	At 30 June 2014 £ 000s
Bank cash	(63)	(101)	-	(164)
Loan Notes 2026 Gross	38,490	-	-	38,490
Other loans	34,325	3,840	-	38,165
Convertible Loan Notes	1,633	(168)	-	1,465
Preference shares	8,052	-	-	8,052
Net debt	82,437	3,571	-	86,008

27 RELATED PARTY TRANSACTIONS

At the year end £43.4m (2013: £43.4m) was due to Marcus Evans International Kft in respect of acquisition debt and subsequent interest charges incurred but not paid. Interest has not been charged on the Loan Notes 2026 from 1 July 2013.

Additionally the company owed Marcus Evans BV £31.7m (2013: £29.1m), Marcus Evans Group Services £1.2m (2013: nil), Marcus Evans UK £1.29m (2013: £111,369 owed to the Company) and Marcus Evans Investments Limited ("MEIL") £240,000 (2013: £250,000) for interest-free loans provided since acquisition. A cumulative preference share dividend of £3.68m (2013: £3.12m) in favour of MEIL has been accrued in accordance with the share rights representing 7% per annum on capital invested (see note 19).

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27 RELATED PARTY TRANSACTIONS (continued)

In 2012 the freehold land at the Club's training ground was sold to Marcus Evans (Guernsey) Limited (now London & Merchant Properties Limited) for £1.32m.

The above related party transactions have been conducted on normal commercial terms.

28 POST BALANCE SHEET EVENTS

Change in Ultimate Holding Company

On 1 October 2014 the entire share capital of Ipswich Town Football Club Company Limited was transferred from Marcus Evans Investments Limited ("MEIL") to Marcus Evans Worldwide Holdings (IOM) Limited ("MEWH"). MEIL will continue to provide the formal support noted in the relationship agreement between Ipswich Town Plc, Ipswich Town Football Club Company Limited and MEIL dated 30 November 2007 until such time as this agreement is transferred formally to MEWH. Until this agreement is transferred, MEWH will also provide the financial support needed, although not formerly agreed.

Inter-company loan waived

On 30 November 2014 Marcus Evans BV irrevocably and unconditionally waived £1,616,000 of loans provided to the Company.

Player movements

Since the year end the group has acquired the registrations of Alex Henshall, Jonathan Parr, Bartosz Bialkowski, Kevin Bru, Darren Ambrose, Jack Collison and Sean St Ledger.

The following players registrations have been cancelled since the year end : Jack Doherty and Byron Lawrence.

29 ULTIMATE CONTROL OF THE COMPANY

At 30 June 2014 Mr M Evans by virtue of his ownership of Marcus Evans Worldwide Holdings (IOM) (registered in the Isle of Man), the group's immediate parent company which holds 87.5% of the issued share capital of the company, is considered to be the ultimate controller of the Company. On 1 October 2014 the entire share capital of Ipswich Town Football Club Company Limited was transferred from Marcus Evans Investments Limited to Marcus Evans Worldwide Holdings (IOM) Limited.



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