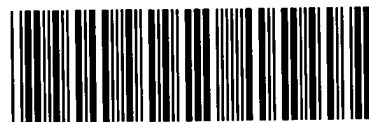


TUESDAY



L6LL3Q01

LD3

19/12/2017

#119

COMPANIES HOUSE

**NORWICH CITY FOOTBALL
CLUB PLC**

ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2017

Company number 00154044

NORWICH CITY FOOTBALL CLUB PLC

ANNUAL REPORT

For the year ended 30 June 2017

Board of Directors: E Balls (Chairman)
M M Foulger (Deputy Chairman)
J Moxey (Resigned 30th June 2017)
S J Phillips
Ms D A Smith
T Smith
E M S Wynn Jones

Company Secretary: B Dack (Director of Finance)

Other Senior Executives: S Stone (Managing Director)
S Webber (Sporting Director)
A Blofeld (Club Secretary)

Company Number: 00154044

Registered Office: Carrow Road
Norwich
NR1 1JE

Auditor: BDO LLP
55 Baker Street
London
W1U 7EU

NORWICH CITY FOOTBALL CLUB PLC

ANNUAL REPORT

For the year ended 30 June 2017

INDEX	PAGE
Strategic Report	1 - 2
Report of the Directors	3 - 6
Independent auditor's report	7 - 8
Consolidated statement of comprehensive income	9
Consolidated statement of financial position	10
Company statement of financial position	11
Consolidated statement of changes in equity	12
Company statement of changes in equity	13
Consolidated statement of cash flows	14 - 15
Notes to the financial statements	16 - 35

NORWICH CITY FOOTBALL CLUB PLC

STRATEGIC REPORT

The Directors present the Group's Strategic Report for the year ended 30 June 2017.

Principal activities

The Group's principal activity is that of a professional football club (the "Club"). The principal activities of the subsidiary undertakings are shown in note 15.

Key performance indicators

The Club uses a variety of performance measures in order to monitor and manage the business effectively. These are both financial and non-financial measures and include the following key performance indicators (KPIs):

	2017	2016
Average league attendance (number)	26,354	26,973
Season tickets sold (number)	20,968	20,481
Player wage costs as a percentage of turnover (%)	50	55
Cash balance at the year end (£'000)	(382)	(2,599)
Group operating profit excluding player trading (£'000)	1,959	15,375

Business review and future outlook

2016/17 has been a disappointing season for the Club, remaining in the Championship for a second consecutive season.

Turnover in 2016/17 was £22.5m lower than the prior year, primarily due to the fall in the value of parachute payments received from the Premier League as a result of a second season in the Championship. This reduction impacted operating profitability when compared to the prior year.

The Club has continued its policy of investing all available cash in the playing squad. The cash inflow of £2.2m is driven by the net receipts from player trading of £2.1m which is a significant variation to the net cash outflow of £11m from player trading in the prior year. As a result of this, the Club has remained free of external debt with the exception of the utilisation of a working capital facility provided by Barclays Bank and related facilities.

The Club's future strategy remains that of investing all available cash in to the playing squad and hence maximising the chances of returning to the Premier League at the earliest opportunity. This in turn will allow the consideration of longer term investment projects centred on both the Club's training facilities at Colney and at Carrow Road itself.

NORWICH CITY FOOTBALL CLUB PLC

STRATEGIC REPORT

Principal business risk management objectives and policies

The Club's Board maintains a risk register which is reviewed, discussed and updated at every Board meeting. The Board considers the key potential business risks to be as follows:

- first team performance and the direct impact on league status and position and ultimately revenue generation;
- recruitment and retention of key colleagues;
- negative high profile player or colleague issues;
- supporter attendance levels at first team matches;
- negotiation of key commercial contracts;
- rules and regulations of the applicable football governing bodies;
- Health & Safety considerations, including terrorism threats, arising from operating a match day venue; and
- cash management in line with agreed working capital facility limits.

The Board delegates responsibility for operational risk to the Managing Director and Sporting Director. First team performance can have a significant impact on other key risk areas, so investment in the playing squad continues to be our priority subject to the financial constraints within which the Club operates. Key performance indicators in relation to both football and commercial areas of the business are measured and reviewed weekly with corrective action taken where appropriate.

Going concern

In assessing the appropriateness of the going concern assumption, the Directors have produced detailed cash flow forecasts, considering all reasonably foreseeable potential scenarios and material uncertainties in relation to income and costs.

Under all of these scenarios, based on these cash flow forecasts and expectations for player trading and the availability of future external finance as required from time to time, the Club can meet its liabilities as they fall due.

The Directors have therefore concluded that it is appropriate for the financial statements to be prepared on the going concern basis.

BY ORDER OF THE BOARD



B Dack
Company Secretary

7 September 2017

NORWICH CITY FOOTBALL CLUB PLC

REPORT OF THE DIRECTORS

The Directors present their report and the consolidated financial statements for the year ended 30 June 2017.

Information included in the Strategic Report

Under S414c(ii) of the Companies Act 2006, the following information is included in the Strategic Report:

- details of the principal activity of the Group;
- a review of the business including developments in the year, its performance and current position;
- a summary of the principal risks and uncertainty affecting the Group; and
- information relating to the KPIs monitored by the Club.

Results and dividends

The loss for the year after taxation amounted to £2,747,000 (2016: profit of £9,415,000).

A dividend on the 'A' preference shares of £507 (2016: £507) and on the 'B' preference shares of £57,961 (2016: £57,538) has been accrued for in the year ended 30 June 2017 (note 11).

Directors

The Directors of the Company serving as at 30 June 2017 together with their beneficial interests in the Company's issued share capital were:

	Ordinary shares		'B' preference shares	
	of £1 each		of £1 each	
	30 June 2017	1 July 2016	30 June 2017	1 July 2016
E Balls	100	100	-	-
M M Foulger	98,200	98,200	4,400	4,400
S J Phillips	100	100	-	-
Ms D A Smith	100	100	-	-
T Smith	104	104	1	1
E M S Wynn Jones	100	100	-	-
Ms D A Smith and E M S Wynn Jones (jointly)	327,109	327,109	3,025	3,025
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The above Directors served throughout the whole year unless the appointment date is shown.

None of the Directors had a beneficial interest in the 'A' preference shares of £1 each.

Directors' and officers' liability insurance

During the year ended 30 June 2017 the Group maintained liability insurance for its Directors and Officers, as permitted by Section 233 of the Companies Act 2006.

NORWICH CITY FOOTBALL CLUB PLC

REPORT OF THE DIRECTORS

Share capital

During the period no (2016: 200) £1 ordinary shares were issued.

Principal financial risk management objectives and policies

The Group aims to minimise financial risk and prepares 18 month rolling budgets and monitors actual performance against these budgets. In addition the Group prepares rolling cash flow forecasts to make sure that cash is managed effectively. As part of the strategy, the Group has implemented a number of initiatives to ensure that it has sufficient cash resources to meet its day to day requirements (see going concern section on page 16).

The financial assets that expose the Group to financial risk include cash and trade debtors. Cash is held in bank accounts with Barclays Bank PLC. Trade debtors are monitored closely to minimise the risk of bad debts and amounts due from other clubs are covered by specific football creditor rules that help minimise these risks. The Directors are of the opinion that the risks associated with the Group's financial instruments are well managed.

Charitable activity

Norwich City Football Club has continued to work closely with the Community Sports Foundation in the year to 30 June 2017, providing support for groups and individuals, including disadvantaged and disabled people in Norfolk, and engaging many more in sports participation and a healthy lifestyle.

The Foundation also administers the Club's charity and good causes supported through donations, awareness and positive experiences.

During the course of the 2016/17 season:

- 219 club pennants were signed by the first team squad and issued to worthy causes to aid with fundraising;
- 5 ground collections took place, raising over £7,000 for charities (Royal British Legion, SOS Bus Norwich, Heart FM - Make Some Noise, Norwich Samaritans and the Community Sports Foundation);
- match day tickets were issued to charitable groups such as the Royal British Legion, Tickets for Troops, Nelson's Journey, Scotty's Little Soldiers, Leeway, Action for Children, Break and Street Life Soccer; and
- a number of match day experiences took place on the pitch for Nelson's Journey, Leeway, Break and Community Sports Foundation disability participants.

The first team squad continued their excellent work in the community, visiting a range of Foundation programmes as well as playing a role in several memorable 'wish days' for members of the community.

A group of people with disabilities visited Colney in February to watch the first team train and to meet the players during lunch, while back in August 2016, several Community Sports Foundation disability participants were invited onto the Carrow Road pitch to join the first team's open training session.

The players also visited the Norfolk and Norwich Hospital, The James Paget Hospital and Quidenham Children's Hospice at Christmas.

The Foundation's Run Norwich event raised over £200,000 for charity, including over £80,000 for the official race charities, which were all local causes.

As well as the Foundation itself, Nelson's Journey, Norfolk Accident Rescue Service and Age UK Norwich were granted official charity status for the race, which took place in August 2016.

NORWICH CITY FOOTBALL CLUB PLC

REPORT OF THE DIRECTORS

Colleague involvement

Within the bounds of commercial confidentiality, information is disseminated to all colleagues about matters that affect the progress of the Group and are considered to be of interest and concern to them as colleagues.

Disabled colleagues

The Group gives full consideration to applications for employment from disabled people where candidate aptitude and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled colleagues for training, career development and promotion.

Where existing colleagues become disabled, the Group's policy is to provide continuing employment wherever practicable in the same or alternative position and to provide training to achieve this aim.

Payments to suppliers

The Group's policy in relation to all suppliers is to agree the terms of payment when agreeing the transaction and to abide by those terms, provided it is satisfied that the supplier has provided the goods or service in accordance with the agreed terms and conditions. The Group does not follow any code or standard of payment practice. The ratio expressed in days between amounts invoiced to the Group by its suppliers in the year and the amounts owed to its trade creditors at the end of the year was 67 (2016: 28) days.

Asset values

Accounting Standards require the Club to value its assets using specific criteria. At the year end there were 28 players (2016: 32) for which the cost of their player registration has been capitalised and is being amortised over the period of the respective players' contracts. The combined net book value of these players at 30 June 2017 was £29.7 million (2016: £32.8 million). The Carrow Road stadium and other land and buildings are currently stated at £25.6 million (2016: £26.0 million), being valued on a historical cost basis or an adopted valuation as detailed in note 14, less accumulated depreciation. In the opinion of the Directors, the recoverable amount of the land and buildings at 30 June 2017 would exceed the book value included in the financial statements. A regular valuation undertaken by the Club's insurers during the period supports this opinion.

Post balance sheet events

Details of post balance sheet events are given in note 30 to the financial statements.

NORWICH CITY FOOTBALL CLUB PLC

REPORT OF THE DIRECTORS

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). 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 Group and the profit or loss of the Company and Group for that period. In preparing each of the Group and Company financial statements, the Directors are required to:

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

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

In so far as each of the Directors is aware:

- there is no relevant audit information of which the Group's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

BY ORDER OF THE BOARD



B Dack
Company Secretary
7th September 2017

NORWICH CITY FOOTBALL CLUB PLC

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORWICH CITY FOOTBALL CLUB PLC

Opinion

We have audited the financial statements of Norwich City Football Club PLC ("the Parent Company") and its subsidiaries ("the Group") for the year ended 30 June 2017 which comprise the consolidated statement of comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2017 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

NORWICH CITY FOOTBALL CLUB PLC

INDEPENDENT AUDITOR'S REPORT

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Directors.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BDO LLP

13 September 2017

Ian Clayden (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

NORWICH CITY FOOTBALL CLUB PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2017

	Note	Operations excluding player trading £'000	Player trading £'000	2017 Total £'000	2016 Total £'000
Group turnover	3	75,326	-	75,326	97,816
Operating expenses	4	(73,563)	(16,530)	(90,093)	(107,585)
Other operating income	5	566	-	566	2,741
Gain on disposal of players' registrations	6	-	11,949	11,949	21,243
Impairment of freehold land	14	(370)	-	(370)	-
Group operating (loss)/profit		1,959	(4,581)	(2,622)	14,215
Share of operating profit in associate		4	-	4	4
Interest receivable and similar income	9	809	-	809	594
Interest payable and similar charges	10	(1,255)	-	(1,255)	(1,830)
(Loss)/profit on ordinary activities before tax		1,517	(4,581)	(3,064)	12,983
Taxation	12	317	-	317	(3,568)
(Loss)/profit for the year		1,834	(4,581)	(2,747)	9,415
Other comprehensive income for the year		-	-	-	-
Total comprehensive (loss)/income for the year		1,834	(4,581)	(2,747)	9,415

All operations are continuing.


The accompanying accounting policies and notes form an integral part of these financial statements.

NORWICH CITY FOOTBALL CLUB PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2017

	Note	2017 £'000	2016 £'000
Fixed assets			
Intangible fixed assets	13	29,673	32,847
Tangible fixed assets	14	27,534	29,165
Investment - associated undertaking	15	76	72
		<u>57,283</u>	<u>62,084</u>
Current assets			
Stocks	16	993	1,263
Debtors	17	20,668	30,099
Cash at bank and in hand		1,449	83
		<u>23,110</u>	<u>31,445</u>
Creditors: amounts falling due within one year	18	<u>(45,711)</u>	<u>(59,340)</u>
Net current liabilities		<u>(22,601)</u>	<u>(27,895)</u>
Total assets less current liabilities		<u>34,682</u>	<u>34,189</u>
Creditors: amounts falling due after more than one year	19	(5,058)	(1,981)
Deferred grant income	20	(1,626)	(1,714)
Provisions for liabilities	21	(4,884)	(4,633)
		<u>23,114</u>	<u>25,861</u>
Net assets		<u>23,114</u>	<u>25,861</u>
Capital and reserves			
Called up equity share capital	23	617	617
Share premium account	24	10,730	10,730
Revaluation reserve	24	71	71
Capital redemption reserve	24	34	34
Profit and loss account	24	11,662	14,409
		<u>23,114</u>	<u>25,861</u>
Shareholders' funds		<u>23,114</u>	<u>25,861</u>

The financial statements were approved by the board of Directors, signed and authorised for issue on 7th September 2017 and signed on its behalf by:



E Balls Director

The accompanying accounting policies and notes form an integral part of these financial statements.

NORWICH CITY FOOTBALL CLUB PLC

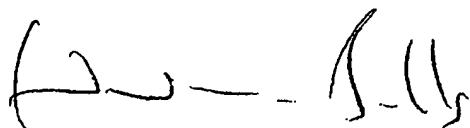
COMPANY STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2017

Company number 00154044

	Note	2017 £'000	2016 £'000
Fixed assets			
Intangible fixed assets	13	29,673	32,847
Tangible fixed assets	14	28,114	29,375
Fixed asset investments	15	28	28
		<u>57,815</u>	<u>62,250</u>
Current assets			
Stocks	16	993	1,263
Debtors	17	20,585	30,010
Cash at bank and in hand		1,449	83
		<u>23,027</u>	<u>31,356</u>
Creditors: amounts falling due within one year	18	<u>(46,144)</u>	<u>(59,682)</u>
Net current liabilities		<u>(23,117)</u>	<u>(28,326)</u>
Total assets less current liabilities		<u>34,698</u>	<u>33,924</u>
Creditors: amounts falling due after more than one year	19	(5,058)	(1,981)
Deferred grant income	20	(1,626)	(1,714)
Provisions for liabilities	21	(3,411)	(2,960)
Net assets		<u>24,603</u>	<u>27,269</u>
Capital and reserves			
Called up equity share capital	23	617	617
Share premium account	24	10,730	10,730
Revaluation reserve	24	71	71
Capital redemption reserve	24	34	34
Profit and loss account	24	13,151	15,817
Shareholders' funds		<u>24,603</u>	<u>27,269</u>

The loss for the year ended 30 June 2017 arising in the accounts of the Company is £2,666,000 (2016: profit of £9,285,000).

The financial statements were approved by the board of Directors, signed and authorised for issue on 7th September 2017 and signed on its behalf by:



E Balls Director

The accompanying accounting policies and notes form an integral part of these financial statements.

NORWICH CITY FOOTBALL CLUB PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 30 JUNE 2017

	Called up equity share capital £'000	Share premium £'000	Revaluation reserves £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total equity £'000
Group:						
1 July 2015	617	10,730	71	34	4,994	16,446
<i>Comprehensive income for the period:</i>						
Profit for the period	-	-	-	-	9,415	9,415
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	9,415	9,415
30 June 2016	617	10,730	71	34	14,409	25,861
1 July 2016	617	10,730	71	34	14,409	25,861
<i>Comprehensive loss for the period:</i>						
Loss for the period	-	-	-	-	(2,747)	(2,747)
Other comprehensive loss for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(2,747)	(2,747)
30 June 2017	617	10,730	71	34	11,662	23,114

NORWICH CITY FOOTBALL CLUB PLC

COMPANY STATEMENT OF CHANGES IN EQUITY AT 30 JUNE 2017

	Called up equity share capital £'000	Share premium £'000	Revaluation reserves £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total equity £'000
Company:						
1 July 2015	617	10,730	71	34	6,532	17,984
<i>Comprehensive loss for the period:</i>						
Loss for the period	-	-	-	-	9,285	9,285
Other comprehensive loss for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	9,285	9,285
30 June 2016	617	10,730	71	34	15,817	27,269
1 July 2016	617	10,730	71	34	15,817	27,269
<i>Comprehensive loss for the period:</i>						
Loss for the period	-	-	-	-	(2,666)	(2,666)
Other comprehensive loss for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(2,666)	(2,666)
30 June 2017	617	10,730	71	34	13,151	24,603

NORWICH CITY FOOTBALL CLUB PLC

CONSOLIDATED STATEMENT OF CASH FLOWS AT 30 JUNE 2017

	2017 £'000	2016 £'000
Cash flows from operating activities		
(Loss)/profit for the financial year	(2,747)	9,415
Gain on disposal of players' registrations	(11,949)	(21,243)
Share of profit for the year of equity accounted investments	(4)	(4)
Net interest payable	446	1,236
Taxation (credit)/expense	(317)	3,568
Impairment of intangible fixed assets	-	3,791
Amortisation of intangible fixed assets	16,530	18,612
Depreciation of tangible fixed assets	1,889	1,881
Loss on disposal of tangible fixed assets	-	7
Impairment of tangible fixed assets	370	-
Decrease in stocks	270	351
(Increase)/decrease in debtors	(608)	1,120
Decrease in creditors	(3,050)	(10,437)
Decrease in deferred grant income	(88)	(85)
Increase in provisions	535	-
Cash from operations	1,277	8,212
Interest paid	(398)	(380)
Taxation (paid)/refund	(76)	2,739
Net cash generated from operating activities	803	10,571
Cash flows from investing activities		
Purchase of intangible fixed assets	(27,584)	(22,615)
Purchase of tangible fixed assets	(628)	(2,086)
Proceeds from sale of intangible fixed assets	29,662	11,612
Interest received	-	46
Net cash generated from/(used in) investing activities	1,450	(13,043)
Cash flows from financing activities		
Financing element of proceeds from sale of intangible fixed assets	353	49
Financing element of purchase of intangible fixed assets	(337)	(31)
Issue of shares	-	-
Decrease in debt	-	(1,989)
Preference dividends paid	(52)	(58)
Net cash used in financing activities	(36)	(2,029)
Increase/(Decrease) in cash during the year	2,217	(4,501)
Cash and cash equivalents at beginning of year	(2,599)	1,902
Cash and cash equivalents at end of year	(382)	(2,599)

NORWICH CITY FOOTBALL CLUB PLC

CONSOLIDATED STATEMENT OF CASH FLOWS AT 30 JUNE 2017

	2017 £'000	2016 £'000
Cash and cash equivalents comprise:		
Cash at bank and in hand	1,449	83
Bank overdrafts	(1,831)	(2,682)
	<u>(382)</u>	<u>(2,599)</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

Norwich City Football Club PLC (the "Club" or the "Company") is a company incorporated in England & Wales under the Companies Act. The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the Group and the Parent Company would be identical;
- no statement of cash flows has been presented for the Parent Company;
- disclosures in respect of the Parent Company's financial instruments and share-based payment arrangements have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the Parent Company as their remuneration is included in the totals for the Group as a whole.

(b) Going concern

In assessing the appropriateness of the going concern assumption, the Directors have produced detailed cash flow forecasts, considering reasonably foreseeable material uncertainties in relation to income and costs.

The scenarios have been prepared on the basis of both continued Championship status and promotion to the Premier League and indicate that, based on these cash flow forecasts and expectations for player trading and the availability of future external finance as required from time to time, the Club can meet its liabilities as they fall due.

The Directors have therefore concluded that it is appropriate for the financial statements to be prepared on the going concern basis.

(c) Consolidated financial statements

The financial statements incorporate the financial statements of Norwich City Football Club PLC and its subsidiary undertakings. The financial statements of all Group undertakings are made up to 30 June 2017. A separate profit and loss account has not been included for Norwich City Football Club PLC by virtue of Section 408 of the Companies Act 2006.

The associate holding in EventGuard Limited is consolidated using the equity method at 24.9% being the Company shareholding in the associate.

(d) Turnover

Turnover comprises net gate and ticket receipts, sports contracts, television and sponsorship revenue, catering, shop, programme, lottery and rental income, excluding value added tax. Turnover is the total amount excluding value added tax, receivable by the Group in the ordinary course of business. Net gate and ticket receipts are recognised when the match is played; sports contracts, television and sponsorship revenue are recognised in the season and financial year to which the income relates, or over the contract or sponsorship period; rental income is recognised over the rental period and all other income is recognised as it becomes receivable in line with the service provided.

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

1 ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment. Financial liabilities, excluding derivatives, are initially measured at transaction price (including transaction costs) and are subsequently held at amortised cost.

The Group's player creditors and player receivables are discounted on initial recognition. The unwinding of the discount is calculated on the effective interest rate method and is recognised in finance costs and finance income respectively.

Financial instruments which do not meet the definition of "basic" are classified as "other" financial instruments and, subsequent to initial recognition, are measured at fair value. Gains or losses on such financial instruments, which include forward foreign currency contracts used to mitigate foreign exchange risk on specific player purchase and sales, are recognised in finance income or finance costs respectively.

Equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the statement of comprehensive income. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

(f) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	not depreciated
Freehold buildings	-	straight line over 40 to 50 years or remaining useful life if less
Plant and machinery	-	straight line over 5 to 10 years
Motor vehicles	-	straight line over 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if there is an indication of a significant change since the last reporting date.

(g) Investment property

Investment property, which includes the relevant share of property held for mixed use, is carried at fair value derived from current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

1 ACCOUNTING POLICIES (CONTINUED)

(h) Leases

Rentals applicable on operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of comprehensive income on a straight line basis over the term of the lease. The cost of assets acquired on finance leases and on hire purchase contracts are capitalised and written off over the estimated useful life of the asset. Lease finance charges represent a constant proportion of the capital balance outstanding and are allocated to accounting periods during the term of the lease.

(i) Stocks

Stocks are valued at the lower of weighted average cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

(j) Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. In accordance with FRS 102, provision is made for deferred taxation liabilities in respect of all timing differences that have originated but not reversed by the statement of financial position date. Deferred taxation assets are recognised to the extent that it is more likely than not that they will be recovered through utilisation against future taxable profits. Deferred taxation balances are not discounted.

(k) Deferred grant income

Grants relating to freehold buildings are being released to the statement of comprehensive income on a straight line basis over 50 years or over the remaining useful life of the building if less.

(l) Pensions

The Group operates a defined contribution pension scheme and contributes to certain colleagues' personal pension schemes. The pension charge represents the amount payable by the Group to the fund in respect of the period.

The Group is one of a number of participating employers in the Football League Limited Pension and Life Assurance Scheme. The Group is unable to identify its share of the assets and liabilities of the scheme and therefore accounts for its contributions as if they were paid to a defined contribution scheme. Full provision has been made for the additional contributions that the Group has been requested to pay to help fund the scheme deficit.

The assets of all schemes are held in funds independent from the Group.

(m) Transfer income and intangible assets

Transfer income is credited to the statement of comprehensive income, after deducting the net book value of the relevant player's registration. In accordance with FRS 102, transfer fees, transfer levies payable and agents' fees are capitalised as intangible assets at their present value, where payments are deferred. Amortisation is provided at rates calculated to write off the cost of the transfer over the duration of the player's contract, with contract term extensions affecting prospective amortisation charges. Payments, which are contingent on the appearances and/or performance of a player, are not recognised as provisions until the events crystallising such payments are considered probable.

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

1 ACCOUNTING POLICIES (CONTINUED)

(n) Impairment

The Directors do not consider it possible to determine the value in use of an individual player in isolation, as that player cannot generate cash flows on his own. However, in circumstances where it is apparent that as at the period end the player would not be available for selection to play for the Club, the player is taken outside of the wider cash generating unit and valued on a recoverable amount basis, being the Directors' best estimate of the player's fair value less cost to sell, with any resulting impairment charge being made in operating expenses.

Examples of such circumstances include: the player falling out of favour of the senior football management, career threatening injury and a clear intention on behalf of the player to leave the Club. The Directors' assessment of fair value will be based on:

- in the case of a player who has fallen out of favour with senior football management or intends to leave the Club, either the agreed selling price if a transfer has been agreed subsequent to the year end or, if a transfer has not yet been agreed, the Directors' best estimate of disposal value taking into account relevant transfer market information; or
- in the case of a player who has suffered a career threatening injury, the value attributed by the Club's insurers.

(o) Provisions

The Club records provisions in situations where it has an obligation at the reporting date as a result of a past event, it is probable that a settlement requiring the transfer of economic benefit will be made and a reliable estimate of the obligation can be made. Where such obligations cannot be estimated reliably, they are disclosed as contingent liabilities.

Provisions are recorded for matters such as onerous player contracts, property-related works and deferred and other employment taxation liabilities.

(p) Foreign exchange

In accordance with FRS 102, foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rate of exchange ruling at the statement of financial position date. Any differences are taken to the statement of comprehensive income.

The consolidated financial statements are presented in pounds, which is the Company's functional currency and the Group's presentation currency.

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

2 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements, the Directors have made the following judgements:

(a) Player impairments

The Directors assess whether, at the period end, players are available for selection to play for the Club. In circumstances where it is apparent that the player would not be available to play for the Club and has not yet been sold (e.g. fallen out of favour with senior football management or suffered a career-threatening injury), that player is valued on a "recoverable amount" basis which is based on the Directors' best estimate of his valuation at the next available transfer window. Any resulting impairment charge is recorded within operating expenses.

(b) Onerous contracts

The Directors review all contracts, including primarily those of the players, and determine whether the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. If they do, an onerous contract provision is created.

Specifically in relation to players, if a player's valuation has been impaired (as described in (a) above), and that player is not expected to be selected to play for the club, an onerous contract provision will be made for the period of time in which the Directors reasonably expect the player to remain at the Club. If a player in this category has been loaned out to another club, contributions made by that club will be netted off the Club's contractual obligations when calculating the onerous contract provision.

(c) Estimation of provisions

The Directors review known future property-related obligations, and estimate the cost of these obligations after giving due consideration to the scope of work required. A provision is made, based on this cost estimate.

Other provisions are recorded where, in the Directors' judgement, there is sufficient reliable information to do so and where, again in the opinion of the Directors, a liability is considered likely to crystallise. The measurement of such liabilities is typically subject to estimation uncertainty due to the rise of different possible outcomes.

(d) Deferred taxation

In line with FRS 102, provision is made for deferred taxation liabilities in respect of all timing differences that have originated but not reversed by the statement of financial position date. In respect of potential deferred taxation assets, the Directors assess whether it is more likely than not that they will be recovered through utilisation against future taxable profits. If they deem this the case, the Directors will recognise the deferred taxation asset.

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

3 TURNOVER

Turnover in respect of the business operations comprised:

	2017 £'000	2016 £'000
Gate receipts and ticket sales	9,233	11,509
Broadcasting (FA & League income)	50,493	70,165
Media	142	139
Catering	4,263	4,370
Commercial	8,748	9,955
UEFA Solidarity & Prize Money	1,934	825
Other income	513	853
Total turnover	75,326	97,816

4 OPERATING EXPENSES

Total operating expenses comprised:

	2017 £'000	2016 £'000
Staff costs (note 7)	55,144	67,193
Depreciation of tangible fixed assets (note 14) - owned by the Group	1,889	1,881
Auditor's remuneration:		
- audit of the Company's financial statements	16	15
- other services - audit of the Company's subsidiaries	4	3
- tax services	3	5
- other accounting services	26	-
Operating lease rentals	573	356
Other operating expenses	15,908	15,729
	73,563	85,182
Amortisation and impairment of intangible fixed assets (note 13)	16,530	22,403
Total operating expenses	90,093	107,585

The total charge resulting from the impairment of player registrations was £nil (2016: £3.8m).

5 OTHER OPERATING INCOME

	2017 £'000	2016 £'000
Loan player income	547	2,741
Donations	19	-
	566	2,741

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

6 GAIN ON DISPOSAL OF PLAYERS' REGISTRATIONS

	2017	2016
	£'000	£'000
Gain on disposal of players' registrations	11,949	21,243

7 STAFF COSTS

Staff costs, including Directors' remuneration, were as follows:

	Group & Company	
	2017	2016
	£'000	£'000
Wages and salaries	48,229	53,416
Other employment costs (including loan players)	847	6,684
	49,076	60,100
Social security costs	5,849	6,730
Pension costs	219	363
	55,144	67,193

The average monthly number of regular employees, including Directors, during the year ended 30 June 2017 was as follows:

	Number of employees	
	2017	2016
Directors	7	7
Football (including academy and football support staff)	137	138
Other	162	159
	306	304

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

8 DIRECTORS' REMUNERATION

	2017 £'000	2016 £'000
Total Directors		
Aggregate emoluments, fees and benefits	417	833
Contributions to money purchase pension schemes	-	55
Compensation for loss of office	712	1,351
	<u>1,129</u>	<u>2,239</u>
	<u><u>1,129</u></u>	<u><u>2,239</u></u>
	2017 £'000	2016 £'000
Highest paid Director		
Aggregate emoluments, fees and benefits	417	743
Contributions to money purchase pension schemes	-	55
Compensation for loss of office	712	1,351
	<u>712</u>	<u>1,351</u>
	<u><u>712</u></u>	<u><u>1,351</u></u>

9 INTEREST RECEIVABLE AND SIMILAR INCOME

	2017 £'000	2016 £'000
Bank interest receivable	31	19
Net gain on other financial instruments: forward currency contracts	6	195
Finance income on unwinding of discount on player receivables	772	353
Other interest receivable	-	27
	<u>809</u>	<u>594</u>
	<u><u>809</u></u>	<u><u>594</u></u>

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

10 INTEREST PAYABLE AND SIMILAR CHARGES

	2017 £'000	2016 £'000
Bank loans and overdrafts	144	284
Other similar charges	60	94
Exchange rate losses	218	928
	<hr/>	<hr/>
	422	1,306
Pension liability (note 26)	51	67
Finance charges on shares classified as liabilities: preference share dividends	77	58
Finance charges on unwinding of discounts on player liabilities	570	399
Other interest payable	135	-
	<hr/>	<hr/>
	1,255	1,830
	<hr/>	<hr/>

11 DIVIDENDS ON SHARES CLASSIFIED AS FINANCIAL LIABILITIES

	2017 £'000	2016 £'000
Dividend payable		
'A' preference shares	1	1
'B' preference shares	57	57
	<hr/>	<hr/>
	58	58
	<hr/>	<hr/>

12 TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

a. Analysis of tax credit/(charge) for the year ended 30 June 2017:

	2017 £'000	2016 £'000
Based on the Group (loss)/profit for the year ended 30 June 2017		
<i>Current tax</i>		
UK Corporation tax on profit for the year ended 30 June 2017 (note 12b)	62	(47)
Prior period adjustment	(29)	-
	<hr/>	<hr/>
	33	(47)
<i>Deferred tax</i>		
Current period (note 21)	284	(3,521)
	<hr/>	<hr/>
Total tax credit/(charge)	317	(3,568)
	<hr/>	<hr/>

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

12 TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

b. Factors affecting the tax charge for the year ended 30 June 2017:

The effective rate of tax is different to the full rate of corporation tax. The differences are explained below:

	2017 £'000	2016 £'000
(Loss)/profit on ordinary activities before tax	(3,064)	12,983
At standard rate of corporation tax in the UK of 19.75% (2016: 20%)	(605)	2,597
Expenses not deductible for tax purposes (net of income not taxable)	43	(63)
Fixed asset differences	394	1,325
Utilisation of losses brought forward	45	-
Adjustment in respect of prior periods	(36)	6
Tax reclaim on carry back of trading losses	(62)	-
Adjustment to deferred tax rates	(149)	(329)
Other temporary timing differences	53	32
	<u>(317)</u>	<u>3,568</u>

13 INTANGIBLE FIXED ASSETS

	Players' registrations £'000
Group and Company	
<i>Cost</i>	
At 1 July 2016	73,557
Additions	19,896
Disposals	(40,621)
At 30 June 2017	<u>52,832</u>
<i>Amortisation</i>	
At 1 July 2016	40,710
Charge for the year ended 30 June 2017	16,530
Disposals	(34,081)
Impairments	-
At 30 June 2017	<u>23,159</u>
Net book value at 30 June 2017	<u>29,673</u>
Net book value at 30 June 2016	<u>32,847</u>

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

14 TANGIBLE FIXED ASSETS

	Assets in the course of construction £'000	Freehold land and buildings £'000	Plant and machinery £'000	Motor vehicles £'000	Investment property £'000	Total £'000
Group						
<i>Cost or valuation</i>						
At 1 July 2016	935	45,478	9,364	11	765	56,553
Additions	1	353	304	-	-	658
Transfers	(897)	774	123	-	-	-
Disposals	(30)	-	-	-	-	(30)
At 30 June 2017	9	46,605	9,791	11	765	57,181
<i>Depreciation</i>						
At 1 July 2016	-	19,673	7,704	11	-	27,388
Charge for the year ended 30 June 2017	-	1,494	395	-	-	1,889
Impairment	-	370	-	-	-	370
At 30 June 2017	-	21,537	8,099	11	-	29,647
Net book value at 30 June 2017	9	25,068	1,692	-	765	27,534
Net book value at 30 June 2016	935	25,805	1,660	-	765	29,165

The net book value of freehold land and buildings comprises:

	2017 £'000	2016 £'000
Assets at adopted valuation		
Land (not depreciated)	2,113	2,483
Assets at cost		
Land (not depreciated)	1,325	1,325
Buildings and infrastructure	21,630	21,997
	<u>25,068</u>	<u>25,805</u>

If the amount of the revalued land had been determined according to historical cost accounting rules, the book value of the land would have been as follows:

	2017 £'000	2016 £'000
Cost and net book value	<u>2,412</u>	<u>2,412</u>

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

14 TANGIBLE FIXED ASSETS (CONTINUED)

	Assets in the course of construction £'000	Freehold land and buildings £'000	Plant and machinery £'000	Motor vehicles £'000	Investment property £'000	Total £'000
Company						
<i>Cost or valuation</i>						
At 1 July 2016	935	45,647	9,364	11	765	56,722
Additions	1	353	304	-	-	658
Disposals	-	-	-	-	-	-
Transfers	(897)	774	123	-	-	-
Disposals	(30)	-	-	-	-	(30)
At 30 June 2017	9	46,774	9,791	11	765	57,350
<i>Depreciation</i>						
At 1 July 2016	-	19,632	7,704	11	-	27,347
Charge for the year ended 30 June 2017	-	1,494	395	-	-	1,889
Transfers	-	-	-	-	-	-
At 30 June 2017	-	21,126	8,099	11	-	29,236
Net book value at 30 June 2017	9	25,648	1,692	-	765	28,114
Net book value at 30 June 2016	935	26,015	1,660	-	765	29,375

The net book value of freehold land and buildings comprises:

	2017 £'000	2016 £'000
Assets at adopted valuation		
Land (not depreciated)	1,917	1,917
Assets at cost		
Land (not depreciated)	2,185	2,185
Buildings and infrastructure	21,546	21,913
	25,648	26,015

If the amount of the revalued land had been determined according to historical cost accounting rules, the book value of the land would have been as follows:

	2017 £'000	2016 £'000
Cost and net book value	1,846	1,846

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

15 FIXED ASSET INVESTMENTS

	Group Interest in associated undertaking £'000	Company Investment in associated undertaking £'000	Company Investment in subsidiary undertakings £'000
<i>Cost</i>			
At 1 July 2016	72	28	940
Share of result and movement in equity	4	-	-
At 30 June 2017	76	28	940
<i>Amounts written off</i>			
At 1 July 2016	-	-	940
Movement in the year	-	-	-
At 30 June 2017	-	-	940
Net book value at 30 June 2017	76	28	-
Net book value at 30 June 2016	72	28	-

Subsidiary undertakings

The subsidiary undertakings, which were incorporated in England and Wales and are included within the consolidated financial statements at 30 June 2017, are as follows:

Company	% owned	Principal Activity
N.C.F.C. (Holdings) Limited	100%	Property holding company
Kerrison Holdings Limited	100%	Provision of car park facilities and property development
Kerrison Developments Limited	100%	Investment holding company

The registered address for all subsidiary companies is Carrow Road, Norwich, NR1 1JE.

Associated undertaking

Norwich City Football Club PLC owns 24.9% of the shares in EventGuard Limited.

16 STOCKS

	Group and Company	
	2017 £'000	2016 £'000
Goods for resale	993	1,263

The amount of stocks recognised as an expense in the statement of comprehensive income during the year was £2.4 million (2016: £2.1 million). A stock provision of £0.3 million was recognised in the year (2016: £0.7 million).

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

17 DEBTORS

	Group		Company	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Trade debtors	7,352	6,666	7,352	6,666
Player debtors	12,019	22,051	12,019	22,051
Other debtors	324	501	241	412
Prepayments and accrued income	973	686	973	686
Forward contracts	-	195	-	195
	<u>20,668</u>	<u>30,099</u>	<u>20,585</u>	<u>30,010</u>

Included in player debtors above are amounts totalling £0.01m (30 June 2016: £7.6m) falling due after more than one year.

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Bank overdrafts	1,931	2,682	1,931	2,682
Trade creditors	995	1,483	995	1,483
Player creditors	15,006	23,752	15,006	23,752
Receipts in advance	11,354	11,276	11,354	11,276
Other taxes and social security	7,546	9,656	7,546	9,656
Corporation tax	-	47	-	47
4.5% 'B' preference shares of £1 each (note 23)	-	1,430	-	1,430
Dividends payable on shares classified as financial liabilities	64	58	64	58
Other creditors	189	335	189	335
Amounts owed to subsidiary undertakings	-	-	568	483
Accruals and deferred income	8,726	8,621	8,591	8,480
	<u>45,711</u>	<u>59,340</u>	<u>46,144</u>	<u>59,682</u>

The bank overdrafts are secured by an assignment of future Premier League parachute payments.

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

19 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group and Company	
	2017	2016
	£'000	£'000
Receipts in advance	141	50
5.25% 'A' preference shares of £1 each (note 23)	10	10
4.5% 'B' preference shares of £1 each (note 23)	1,419	-
Accruals and deferred income	389	1,031
Player creditors	3,099	890
	<u>5,058</u>	<u>1,981</u>

The 4.5% 'B' preference shares of £1 each are classified as repayable after one year. Where valid requests have been received, subject to the Company being permitted to do so in accordance with its Articles of Association, redemption will (subject to when the valid request was received) take place on 1 January 2019.

The amounts falling due after more than one year fall due for repayment as follows:

	Group and Company	
	2017	2016
	£'000	£'000
In one to two years		
Receipts in advance	141	50
4.5% 'B' preference shares of £1 each (note 23)	1,419	-
Accruals and deferred income	137	685
Player creditors	2,958	518
	<u>4,655</u>	<u>1,253</u>

	Group and Company	
	2017	2016
	£'000	£'000
In two to five years		
Receipts in advance	-	-
Accruals and deferred income	252	346
Player creditors	141	372
	<u>393</u>	<u>718</u>

	Group and Company	
	2017	2016
	£'000	£'000
In more than five years		
5.25% 'A' preference shares of £1 each	10	10
	<u>10</u>	<u>10</u>

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

20 DEFERRED GRANT INCOME

	Group and Company	
	2017	2016
	£'000	£'000
Deferred grant income		
At 1 July 2016	1,714	1,799
Credited to statement of comprehensive income	(88)	(85)
At 30 June 2017	<u>1,626</u>	<u>1,714</u>

21 PROVISION FOR LIABILITIES

Group:	2017				2016		
	Deferred tax £'000	Property works £'000	Other taxation £'000	Total £'000	Deferred tax £'000	Property works £'000	Total £'000
At 1 July 2016	2,960	1,673	-	4,633	-	1,673	1,673
Release/utilisation of provision	(284)	(200)	-	(484)	-	-	-
Provision	-	-	735	735	2,960	-	2,960
At 30 June 2017	<u>2,676</u>	<u>1,473</u>	<u>735</u>	<u>4,884</u>	<u>2,960</u>	<u>1,673</u>	<u>4,633</u>

Company:	2017			2016	
	Deferred tax £'000	Other taxation £'000	Total £'000	Deferred tax £'000	Total £'000
At 1 July 2016	2,960	-	2,960	-	-
Release of provision	(284)	-	(284)	-	-
Provision	-	735	735	2,960	2,960
At 30 June 2017	<u>2,676</u>	<u>735</u>	<u>3,411</u>	<u>2,960</u>	<u>2,960</u>

The provision for liabilities includes £1,473,000 in respect of property works which the Group is obliged to complete. The amount represents the Directors' best current estimate of the cost of carrying out this work having taken professional advice.

The Company's deferred tax liability in respect of rolled over gains on disposal of player registrations of £2,676,000 arose in the prior year and partially reversed in the current year and the liability is expected to crystallise on the disposal of certain players' registrations, subject to the Company's ability to further defer future taxable gains on disposal.

The provision for other taxation of £735,000 arising in the year relates to those amounts which the Company believes can be measured with sufficient reliability to quantify a provision. Further explanation is given in note 25.

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

22 FINANCIAL INSTRUMENTS

The Group's and Company's financial instruments may be analysed as follows:

	Group		Company	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Financial assets				
Basic financial assets that are measured at amortised cost	21,144	29,301	21,061	29,212
Other financial assets measured at fair value through profit or loss	6	195	6	195
	<u>21,150</u>	<u>29,496</u>	<u>21,067</u>	<u>29,407</u>
Financial liabilities				
Basic financial liabilities that are measured at amortised cost	(26,932)	(30,801)	(26,797)	(30,660)
	<u>(5,782)</u>	<u>(1,305)</u>	<u>(5,730)</u>	<u>(1,253)</u>

Other financial assets and liabilities measured at fair value through profit or loss comprise the value of forward foreign exchange contracts.

Basic financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors, player debtors and other debtors.

Basic financial liabilities measured at amortised cost comprise bank overdrafts, Directors' loans, trade creditors, player creditors, other creditors and accruals.

Impairment losses on financial assets related to credit losses on trade debtors totalling £0.1 in the year (2016: £nil).

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

23 CALLED UP SHARE CAPITAL

	2017 £'000	2016 £'000
Allotted, called up and fully paid		
Equity interest		
616,913 (2016: 616,713) ordinary shares of £1 each	617	617
Interest in shares classified as financial liabilities		
9,675 (2016: 9,675) 5.25% 'A' preference shares of £1 each	10	10
14,186 (2016: 14,186) 4.5% 'B' preference shares of £1 each	14	14
Total interest in shares classified as financial liabilities	24	24

During the year nil (2016: 200) £1 ordinary shares were issued at an average cost of £nil each (2016: £1 each). The total proceeds were £nil (2016: £200). An amount of £nil (2016: nil) has been credited to the share premium account in respect of the £1 ordinary shares (note 24).

The holders of the 'A' preference shares have the right to preference dividends at a rate of 5.25% per annum on the nominal value in priority to holders of any other shares. The holders of 'B' preference shares have the right to a cumulative preferential cash dividend at 4.5% of issue price, subject to the payment of the 'A' preference dividend, but in priority to dividends on ordinary shares.

The 'A' preference shares are not redeemable, therefore the par value of the shares has been shown as a liability due in more than five years.

The holders of the 'B' preference shares have an option to redeem their shares in any year the Club achieves or retains promotion to the Premier League. The 'B' shares are redeemable at £100 per share and, as the earliest redemption date is January 2019, the shares have been classified as a liability due after one year.

In the event of a winding up order on the Company, the holders of preference shares have the right only to repayment of capital paid up thereon and arrears of preference dividends to the date of payment but shall not have any further right to participate in profits or surplus assets.

The 'A' and 'B' preference shareholders do not have the right to vote at General Meetings of the Company, except on resolutions proposing the winding up of the Company or where the preference dividend is in arrears for more than 12 months.

24 RESERVES

Share capital: The share capital account represents the nominal value of the Company's shares.

Share premium account: The share premium account includes the premium on issue on equity shares, net of any issue costs.

Revaluation reserve: The revaluation reserve represents the accumulated unrealised gains and losses in respect of revaluations of assets held by the Group.

Capital redemption reserve: The capital redemption reserve contains the nominal value of own shares that have been acquired by the Company and cancelled.

Profit and loss account: The profit and loss account represents cumulative profits or losses of the Group, net of dividends paid and other adjustments.

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

25 CONTINGENT LIABILITIES

Additional payments amounting to a maximum of £23,711,287 (2016: £17,481,540) will become payable if certain conditions in transfer and player contracts at 30 June 2017 are fulfilled. Additional signing on fees up to a maximum of £3,057,201 (2016: £5,898,400) will become payable to players subject to the terms and conditions of their contracts being fulfilled.

The Club is in the process of evaluating potential tax liabilities for certain overseas loan players. Where the amounts can be reliably measured and a payment of additional tax is considered probable, a provision has been recorded (note 21). For liabilities which either are considered less likely than "probable" or cannot be reliably measured based on the information available to the Club no provision is recorded and the potential obligation is disclosed as a contingent liability. The Club believes that these additional potential liabilities may fall within the range of £0.6m - £3.4m, although it is the Directors' view at present that any additional amounts payable are likely to crystallise in an amount towards the lower end of this range.

26 PENSION SCHEMES

Money purchase pension scheme

During the year the Group participated in a money purchase scheme for the benefit of certain employees. The assets of the scheme are administered by trustees in a fund independent from those of the Group. Contributions to this scheme during the year ended 30 June 2017 amounted to £156,000 (2016: £141,000). At 30 June 2017 there were outstanding contributions of £23,000 (2016: £21,000).

Employees' personal pension schemes

During the year the Group made contributions to certain employees' personal pension schemes. Contributions to these schemes during the year ended 30 June 2017 amounted to £61,000 (2016: £87,000). At 30 June 2017 there were outstanding contributions of £12,000 (2016: £3,000).

Football League Final Salary Scheme

The Football League Final Salary scheme is administered nationally and is now closed to new members. The latest actuarial valuation, which was undertaken in 2014 indicated that the scheme remains in deficit and, in accordance with the scheme rules, Norwich City Football Club PLC, along with the other football clubs, are required to make payments to the pension scheme to reduce the deficit. Interest is charged by the pension scheme on the outstanding amount at approximately 7.6% per annum and interest of £51,000 (2016: £55,000) was payable during the year ended 30 June 2017. The outstanding liability will be paid to the pension scheme on a monthly basis over a period of approximately five (2016: six) years to August 2022. The total amount payable to the pension scheme at 30 June 2017, including accumulated interest, was £520,000 (2016: £594,000) and is included in accruals and deferred income.

27 OPERATING LEASE COMMITMENTS

The Group and Company had total commitments under non-cancellable operating leases as set out below:

	2017		2016	
	Land and Buildings £'000	Other £'000	Land and Buildings £'000	Other £'000
Expiry date:				
Within one year	230	343	247	408
Between one and two years	230	173	40	336
Between two and five years	190	205	40	302
After five years	-	-	-	44
	<u>650</u>	<u>721</u>	<u>327</u>	<u>1,090</u>

NORWICH CITY FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

28 RELATED PARTY TRANSACTIONS

Key management personnel (including Directors') compensation is as follows:	2017 £'000	2016 £'000
Aggregate emoluments	1,494	2,228
Pension scheme	18	55

Transactions with Directors and their companies

	Group and Company Sales		Group and Company Purchases	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Ms D A Smith and E M S Wynn Jones (joint)	1	-	-	-
M M Foulger	23	11	-	-
Banham Poultry Limited (M M Foulger)	4	21	-	-

At 30 June 2017 and 30 June 2016 the following balances (inclusive of value added tax) were outstanding:

	Group and Company Sales ledger		Group and Company Purchase ledger	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Ms D A Smith and E M S Wynn Jones (joint)	-	-	-	-
M M Foulger	1	1	-	-
Banham Poultry Limited (M M Foulger)	-	-	-	-

29 CONTROL

At 30 June 2017 Ms D A Smith and her husband and co-Director, E M S Wynn Jones owned 53.1% (2016: 53.1%) of the issued capital of the Company. In accordance with FRS 102, the Board have concluded that ultimate control of the Company vests in these related parties.

30 POST BALANCE SHEET EVENTS

Transfer of players' registrations

Subsequent to the year end the Group has acquired the registrations of players M Franke, G Hanley, J Husband, S Raggett, M Stiepermann, T Trybull, M Watkins and C Zimmermann.

The Club also sold the registrations of A Andreu, G Dorrans, J Howson and Ja. Murphy subsequent to the year end.

The Group are committed to payments of £8.8m and are due receipts of £16.9m in respect of these transactions with a further amount due of £0.1m dependent on Club and/or player performance.