

Fulham Stadium Limited

Annual Report 30 June 2013



TUESDAY
WED



R32XQCZD

RM 04/03/2014 #120

COMPANIES HOUSE

--- *A34GL6QH* ---

A19 26/03/2014 #164

COMPANIES HOUSE

INDEX

	PAGE
1 DIRECTORS' REPORT	2
2 STATEMENT OF DIRECTORS' RESPONSIBILITIES	3
3 INDEPENDENT AUDITOR'S REPORT	4
4 PROFIT & LOSS ACCOUNT	5
5 BALANCE SHEET	6
6 NOTES TO FINANCIAL STATEMENTS	7 - 12

Fulham Stadium Limited Directors' Report

For the year ended 30 June 2013

The Directors present their report and financial statements for the year ended 30 June 2013

Principal activity

The principal activity of the company is to hold the freehold and develop Craven Cottage, a football stadium

Review of the business

During the year, the Company continued planning and design works in respect of the proposed redevelopment of the Riverside Stand at the stadium following the granting of planning permission by Hammersmith and Fulham Council on 26th July 2012. The Company focus over the coming seasons will be on bringing this exciting development to fruition and creating a much improved environment for supporters.

Results and dividends

The profit for the year amounted to £228,653 (2012: £418,582) which has been transferred to reserves. The Directors do not recommend the payment of a dividend.

Post balance sheet events

On 12 July 2013, the entire share capital of the Company's immediate parent company, Fulham Football Leisure Limited, was sold to Big Cat Holdings Limited, a company incorporated in Bermuda. Further information about this change of ownership is included in note 16.

Directors

The Directors who served during the year and up to the signing date of these financial statements are as follows:

M Al Fayed (resigned 12 July 2013)
A J Mackintosh

S R Khan (appointed 12 July 2013)
M Lamping (appointed 12 July 2013)

Disclosure of information to auditor

Each of the Directors has confirmed that:

- (a) so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- (b) he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Special provisions

The directors' report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Auditor

KPMG LLP were appointed as auditor in June 2013 to fill a casual vacancy. 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
A J Mackintosh
Chief Executive
4 December 2013

2 Fulham Stadium Limited

Fulham Stadium Limited

Statement of Directors' Responsibilities in respect of the Directors' Report and Financial Statements

For the year ended 30 June 2013

The Directors are responsible for preparing the Directors' 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 they have elected to prepare the 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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

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

The Directors are responsible for keeping 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

Independent Auditor's Report To the Members of Fulham Stadium Limited

We have audited the financial statements of Fulham Stadium Limited for the year ended 30 June 2013 set out on pages 5 to 12. 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 Company's affairs as at 30 June 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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.

Andrew Turner (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Salisbury Square
London
EC4Y 8BB
9 December 2013
4 Fulham Stadium Limited

Fulham Stadium Limited
Profit and Loss Account

For the year ended 30 June 2013

		2013	2012
	Notes	£	£
Turnover	2	2,000,000	2,000,000
Administrative expenses		(110,694)	6,416
Depreciation		(1,660,653)	(1,614,650)
Operating profit		228,653	391,766
Profit on disposal of tangible fixed assets		-	26,813
Net interest receivable	3	-	3
Profit on ordinary activities before taxation	4	228,653	418,582
Taxation of profit on ordinary activities	5	-	-
Profit for the year		228,653	418,582

All amounts relate to continuing operations

The Company has no recognised gains or losses other than the profit for the year

The notes on pages 7 to 12 form part of these financial statements

Fulham Stadium Limited**Balance Sheet**

Company number 3375418

As at 30 June 2013

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	6	16,071,337	15,775,133
Investment in subsidiary	7	<u>2</u>	<u>2</u>
		16,071,339	15,775,135
Current assets			
Debtors - amounts due within one year	8	40,396	174,739
Debtors - amounts due after more than one year	8	3,907,093	3,358,116
Cash at bank and in hand		<u>12,489</u>	<u>80,182</u>
		3,959,978	3,613,037
Creditors amounts falling due within one year	9	<u>(22,003,427)</u>	<u>(21,588,935)</u>
Net current liabilities		<u>(18,043,449)</u>	<u>(17,975,898)</u>
Total assets less current liabilities		(1,972,110)	(2,200,763)
Net liabilities		<u>(1,972,110)</u>	<u>(2,200,763)</u>
Capital and reserves			
Called up share capital	10	11,999,002	11,999,002
Profit and loss account	11	<u>(13,971,112)</u>	<u>(14,199,765)</u>
Shareholders' deficit	12	<u>(1,972,110)</u>	<u>(2,200,763)</u>

The notes on pages 7 to 12 form part of these financial statements

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to smaller companies

Approved and authorised for issue by the board on 4 December 2013



A J Mackintosh
Director

Fulham Stadium Limited

Accompanying Notes to the Financial Statements

For the year ended 30 June 2013

1 Accounting policies

a) Accounting convention

The financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards

b) Going concern

The financial statements have been prepared on the going concern basis, notwithstanding the net current liability position of £18,043,449 (2012 £17,975,898) and the net liability position of £1,972,110 (2012 £2,200,763). The Directors believe the use of the going concern basis to be appropriate, having received written indications from Mr Shahid Khan that continued funding will be made available to finance the Company's working capital requirements for the foreseeable future, if required, irrespective as to whether Fulham Football Club retains membership of the Premier League at the end of the 2013/14 season or not. Although there is no legal obligation for Mr Khan to provide this continued financial support, the Directors are confident that such funding, if required, will be forthcoming.

c) Tangible fixed assets and depreciation

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

Stands, fixtures, fittings and equipment – 10% - 25% p a

Depreciation is only charged on assets brought into use during the year.

The Company evaluates its fixed assets for financial impairment where events or circumstances indicate that the carrying value of such assets may not be fully recoverable. When such evaluations indicate that the carrying value of an asset exceeds its recoverable value an impairment is recorded.

d) Deferred taxation

Deferred taxation is provided on material timing differences between the incidence of income and expenditure for taxation and accounts purposes using a full provision basis in accordance with the provisions set out in Financial Reporting Standard No. 19 "Deferred Tax". Deferred tax assets are only recognised when they arise from timing differences where their recoverability is regarded as more likely than not. Deferred tax balances are not discounted.

e) Group accounts

Group accounts are not prepared because the Company is exempt from doing so under S400 of the Companies Act 2006. The results of the Company and its subsidiary are included in the consolidated accounts of Fulham Football Leisure Limited. The financial information in these accounts is presented about the Company as an individual undertaking and not about its group.

Fulham Stadium Limited**Accompanying Notes to the Financial Statements (continued)**

For the year ended 30 June 2013

2 Turnover

All turnover arises in the UK and relates to rental income. Rental income is credited to the profit and loss account in the period to which it relates.

3 Net interest

	2013 £	2012 £
Interest receivable:		
Bank interest	-	33
Interest payable on borrowings repayable within five years		
Bank interest payable	-	(30)
	-	(30)
Net interest receivable	-	3

4 Profit on ordinary activities before taxation

	2013 £	2012 £
Profit on ordinary activities before taxation is stated after charging / (crediting)		
Increase / (decrease) in provision against debt due from subsidiary	126,394	(13,497)
Auditors remuneration - audit services	2,500	5,000
Depreciation	1,660,653	1,614,650
Profit on disposal of tangible fixed assets	-	(26,813)

During the year, no director received any emoluments (2012: nil)

Fulham Stadium Limited**Accompanying Notes to the Financial Statements (continued)**

For the year ended 30 June 2013

5. Taxation

	2013 £	2012 £
(a) The tax for the year comprises		
Current tax charge	-	-
Total current tax (note 5 (b))	<u>-</u>	<u>-</u>

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The difference is explained below

Profit on ordinary activities before tax	<u>228,653</u>	<u>418,582</u>
Profit on ordinary activities at standard rate of corporation tax in the UK of 23.75% (2012: 25.5%)	54,305	106,738
Effects of		
Expenses not deductible for tax purposes - fixed assets	359,318	363,538
Expenses not allowable for tax purposes	30,019	165
Depreciation (less) than / in excess of capital allowances	(57,694)	36,060
Group relief claimed	<u>(385,948)</u>	<u>(506,501)</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

(c) Factors that may affect future tax charges

At the year end, the Company has a deferred tax asset of £115,744 (2012: £182,675). This asset has not been recognised as the Directors consider there to be significant uncertainty over the likelihood of the Company generating sufficient future profits against which to offset the asset.

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 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 potential deferred tax asset is analysed below

	2013 £	2012 £
Depreciation in excess of capital allowances	<u>115,744</u>	<u>182,675</u>

Fulham Stadium Limited**Accompanying Notes to the Financial Statements (continued)**

For the year ended 30 June 2013

6 Tangible Fixed Assets

	Freehold Land	Stands, Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
	£	£	£	£
Cost				
1 July 2012	6,975,428	23,444,700	2,527,280	32,947,408
Additions	-	38,986	1,917,871	1,956,857
Reclassified on completion	-	1,040,352	(1,040,352)	-
Disposals	-	-	-	-
30 June 2013	6,975,428	24,524,038	3,404,799	34,904,265
Depreciation				
1 July 2012	-	17,172,275	-	17,172,275
Charge for year	-	1,660,653	-	1,660,653
Disposals	-	-	-	-
30 June 2013	-	18,832,928	-	18,832,928
Net book amount				
30 June 2013	6,975,428	5,691,110	3,404,799	16,071,337
1 July 2012	6,975,428	6,272,425	2,527,280	15,775,133

Assets in the course of construction represent design and planning works in respect of the redevelopment of the Riverside Stand

Fulham Stadium Limited
Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2013

7. Investment in subsidiary

Cost

At 1 July 2012

2

At 30 June 2013

2

At 30 June 2013, the Company owned the following principal subsidiary which is incorporated in Great Britain and operates in the United Kingdom

Interest in Company	Principal Activity	Ordinary Shares
FL Property Management Limited	Training ground development	100%

8 Debtors

Amounts due within one year:

	2013	2012
	£	£
Other taxes and social security	<u>40,396</u>	<u>174,739</u>

Amounts due after more than one year:

	2013	2012
	£	£
Amounts due from group undertakings	<u>3,907,093</u>	<u>3,358,116</u>
	<u>3,907,093</u>	<u>3,358,116</u>

9. Creditors

Amounts due within one year:

	2013	2012
	£	£
Trade creditors	71,645	496,648
Accruals and deferred income	21,501	39,934
Amounts due to parent undertakings	<u>21,910,281</u>	<u>21,052,353</u>
	<u>22,003,427</u>	<u>21,588,935</u>

10. Share Capital

	2013	2012
	Number	Number
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>11,999,002</u>	<u>11,999,002</u>

Fulham Stadium Limited**Accompanying Notes to the Financial Statements (continued)**

For the year ended 30 June 2013

11 Profit and loss account

	2013	2012
	£	£
At 1 July 2012	(14,199,765)	(14,618,347)
Profit for the year	228,653	418,582
At 30 June 2013	<u>(13,971,112)</u>	<u>(14,199,765)</u>

12 Reconciliation of movement in Shareholders' deficit

	2013	2012
	£	£
At 1 July 2012	(2,200,763)	(2,619,345)
Profit for the year	228,653	418,582
At 30 June 2013	<u>(1,972,110)</u>	<u>(2,200,763)</u>

13. Capital commitments

Amounts contracted for but not provided for in the accounts amounted to £Nil (2012 £360,805)

14 Related party transactions

No disclosure has been made of any transactions within these financial statements with the Company's subsidiary, immediate parent company or fellow subsidiaries in accordance with the exemptions allowed under Financial Reporting Standard No 8

15. Post balance sheet events

On 12 July 2013, the entire share capital of the Company's immediate parent company, Fulham Football Leisure Limited, was sold to Big Cat Holdings Limited, a company incorporated in Bermuda. Further information about this change of ownership is included in note 16

16 Ultimate parent company and controlling party

The Company's immediate parent undertaking is Fulham Football Leisure Limited, which is incorporated in Great Britain. It is also the parent company of the largest and smallest group for which group accounts have been prepared. Copies of the consolidated accounts may be obtained from Companies House, Cardiff, CF4 3UZ

The ultimate parent company throughout the period and at the balance sheet date was Mafco Holdings Limited, a company incorporated in Bermuda under the control of the Fayed family. Following the change of ownership of Fulham Football Leisure Limited described in note 15, the Company's ultimate parent company from 12 July 2013 onwards is Cougar HoldCo London Limited, a company incorporated in the United Kingdom. All interests in the company are held for the benefit of Mr Shahid R. Khan, the company's ultimate controlling party