



“WE HAVE MADE SIGNIFICANT PROGRESS IN DELIVERING ON OUR LONG-TERM VISION FOR THE CLUB. WE HAVE ALWAYS HAD THREE KEY PRIORITIES AND YOU WILL HAVE HEARD THEM OFT REPEATED – INVESTMENT IN THE FIRST TEAM, A NEW TRAINING CENTRE AND AN INCREASED CAPACITY STATE-OF-THE-ART NEW STADIUM.”

Daniel Levy
Chairman, Tottenham Hotspur plc

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FINANCIAL HIGHLIGHTS

Revenue

£113.0m

2008 : £114.8m

Group net assets increased to

£62.1m

2008 : £42.6m

Profit on disposal of registrations

£56.5m

2008 : £16.4m

Profit on ordinary activities before taxation

£33.4m

2008 : £3.0m

Profit for the year from continuing operations

£23.2m

2008 : £1.0m

Earnings per share

25.0p

2008 : 1.0p

SUMMARY AND OUTLOOK

- **Record profit before tax of £33.4m**
 - Revenue remains high at £113.0m
 - Player trading profit of £56.5m
 - £119.3m spent on player acquisitions in financial year
 - Group net assets increased to £62.1m from £42.6m at prior year end
- **£61.0m** committed on property transactions in and around current stadium over the past six years
- **Works started** on our new Training Centre for the First Team and Academy at Bulls Cross in Enfield
- **Planning application submitted** for the Northumberland Development Project, our new stadium and related scheme

BUILDING FOR THE

FUTURE

We look to reward the passion, loyalty and commitment of our millions of fans with a winning team, a world-class Training Centre that attracts and develops players of the highest calibre and the creation of a stunning new stadium.





DEVELOPING A WINNING

TEAM

£119.3m

invested in players to strengthen
our team



“We have assembled what we believe to be one of the most talented squads we have had during our time in the Premier League”

Daniel Levy
Chairman, Tottenham Hotspur plc



£119.3m investment in players has given enhanced strength and depth to our highly talented squad.

.....
We reached the Carling Cup Final for the second consecutive season and were **victorious in the 2009 Barclays Asia Trophy**.

.....
Our team continues to bear the hallmarks of an attacking side yet with a stronger resilience in defence. We **conceded the fewest number of League goals at home** during 2008/2009, unrivalled by any other season in our history.

.....
Our thriving Academy is **developing promising young players** and in the 2009/2010 season players are gaining valuable First Team experience at other clubs as part of our loan policy.

BUILDING

A WORLD-CLASS FACILITY

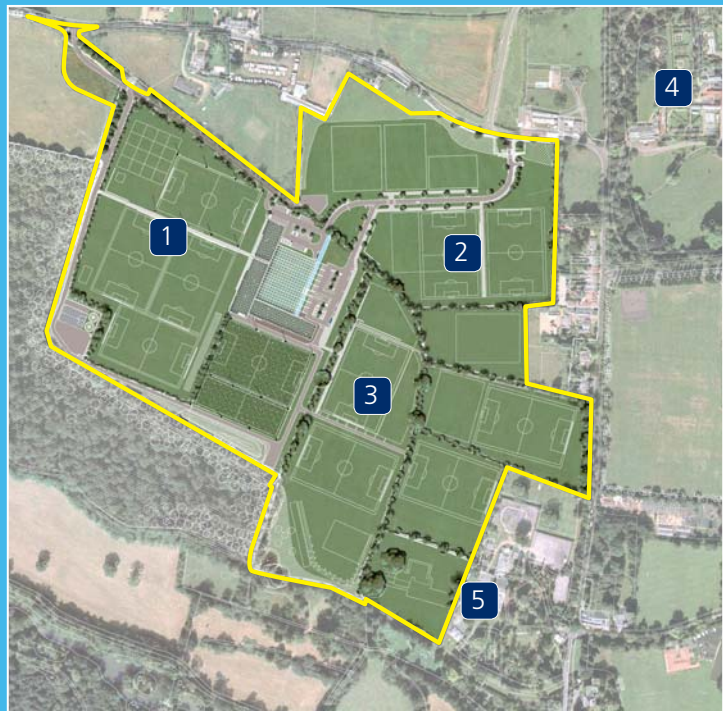
Work commenced on our new world-class Training Centre at Bulls Cross in Enfield. The 67 acre site will be the new home for the Club's First Team and Youth Academy. It will also provide an additional base for the Tottenham Hotspur Foundation.

Our new Training Centre will feature:

- **11 outdoor pitches** - one artificial pitch and ten natural grass. The main pitch in the professional squad area will be designed to the same quality and design as the pitch proposed for the new stadium; complete with undersoil heating.
- A two storey Training Centre has been designed by architects KSS to be an integral part of the landscape. The building has been designed around a 70 x 50m indoor artificial pitch which **features a transparent ETFE roof** similar to the EDEN project in Cornwall.
- The building also incorporates a **learning centre** for the Academy, **medical facilities**, **a hydrotherapy/swimming pool**, **fitness centre/gym**, **changing rooms**, **a restaurant** and **media centre**.
- Two further small buildings; a security building near the Whitewebbs Lane entrance and another small, single storey groundsman's lodge in the far South West corner, for storage of pitch maintenance equipment and changing rooms for grounds staff.
- Parking for **98 cars**, **five coaches** and a number of cycle spaces.

Our new Training Centre will enable the Club to:

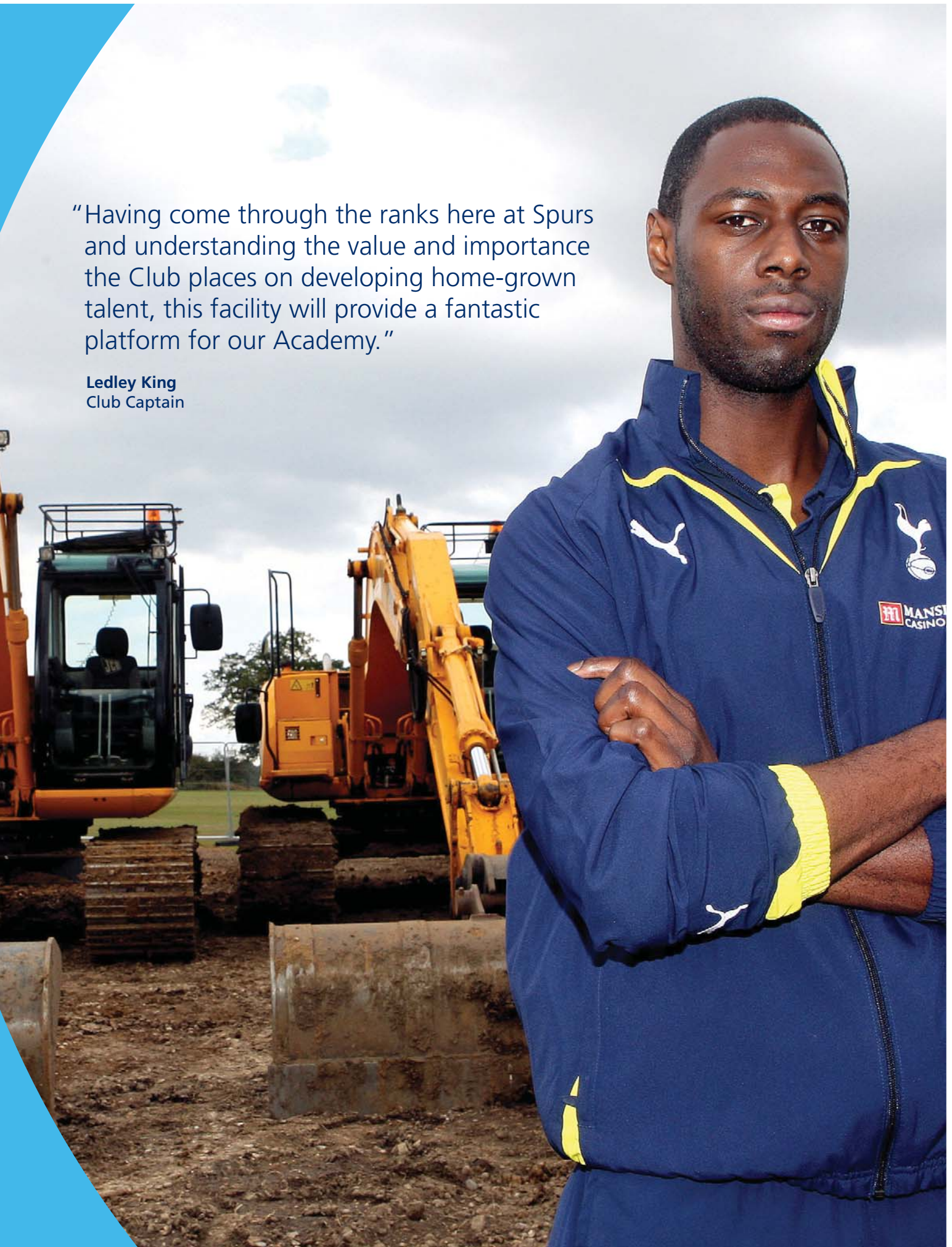
- Attract, train and retain **top quality players**
- Nurture and develop **emerging talent**
- Bring a major investment to the Borough of Enfield along with **£2.0m funding for community programmes**
- Deliver an **iconic building** sensitive to the environment and location



- 1** First Team Pitches
- 2** Academy Weekend Pitches
- 3** Academy Pitches
- 4** Capel Manor and Gardens
- 5** Myddelton House

“Having come through the ranks here at Spurs and understanding the value and importance the Club places on developing home-grown talent, this facility will provide a fantastic platform for our Academy.”

Ledley King
Club Captain



A FACILITY FOR THE FUTURE



First Team gymnasium



Pool and hydrotherapy suite



“The start of these works marked a significant stage in a long and at times challenging journey to deliver a new training facility for our Club – a facility that will be the best in Europe.”

Daniel Levy
Chairman, Tottenham Hotspur plc



Academy multi-functional reception area

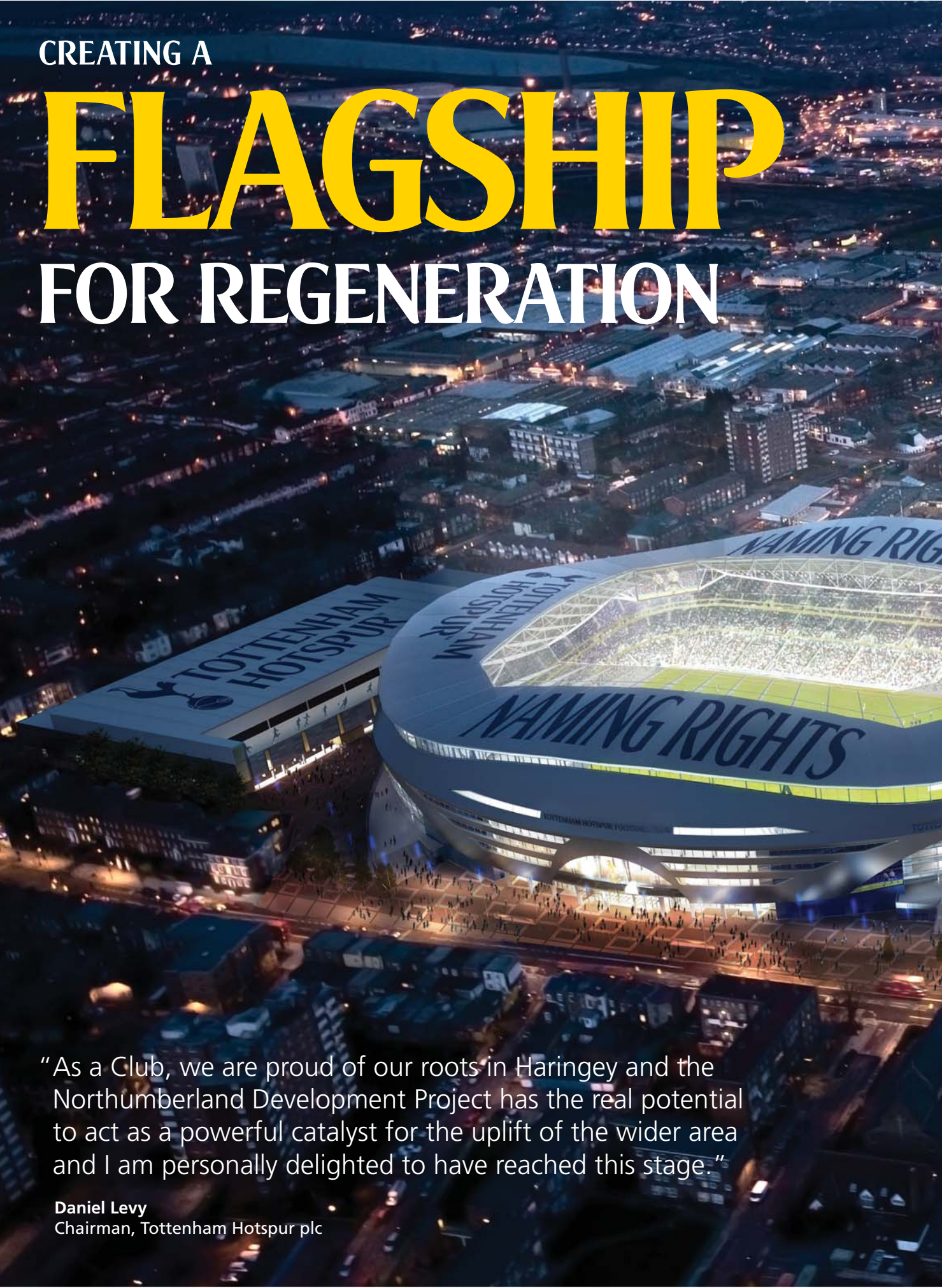


The main building aims to integrate with the landscape



CREATING A

FLAGSHIP FOR REGENERATION

An aerial night-time photograph of the Tottenham Hotspur stadium and its surrounding development. The stadium is illuminated, with 'TOTTENHAM HOTSPUR' and 'NAMING RIGHTS' visible on its facade. The surrounding area shows a mix of residential and commercial buildings, some with lights on, indicating a developing urban environment.

“As a Club, we are proud of our roots in Haringey and the Northumberland Development Project has the real potential to act as a powerful catalyst for the uplift of the wider area and I am personally delighted to have reached this stage.”

Daniel Levy
Chairman, Tottenham Hotspur plc



Our planning application has now been submitted for the Northumberland Development Project. Our scheme represents an investment of hundreds of millions of pounds into North Tottenham to create a world-class catalyst for regeneration with significant benefits for the local community. The project will deliver:

- A new state-of-the-art stadium, using flowing lines, a gracefully undulating roof and the Club colours to create a visually stunning building. Supporters in this stadium will find themselves closer to the pitch than at any other comparable stadium in the UK and all seats have clear sight-lines of the entire pitch. To maximise atmosphere, a new single-tier stand is also included.
- Vibrant public space as a focus for events and activities to be used by schools, charities, community groups, local residents and the Council themselves.
- A new 150 bedroom hotel with restaurant, plus a café opening out onto the public square.
- New offices for the Tottenham Hotspur Foundation with state-of-the-art facilities allowing for even greater reach and impact in the community.
- A new Club Museum together with a new 20,000 sq ft Club Shop.
- A new 80,000 sq ft supermarket with parking, offering increased shopping choice for local people and helping bring more custom to this part of the High Road.
- 434 new homes providing a choice of high quality living, including 40% affordable housing.
- Significant improvements to the High Road including preservation of the more architecturally important listed buildings to the North.
- Energy saving measures and on-site sustainable energy generation technologies, including renewable energy reducing carbon dioxide emissions by around 40% compared to current Building Regulation requirements.





DESIGNING THE MOST

FAN-FRIENDLY

STADIUM IN EUROPE

CREATING A VIBRANT AREA FOR THE COMMUNITY



Too often new stadia are surrounded by empty, dead space and that would not be right in Tottenham. As part of the open space surrounding the stadium, we have designed a new public square to provide something truly special for local people.

- The new public square will be actively managed by the Tottenham Hotspur Foundation with a programme of events and activities to ensure this acts as a focus for community life.
- The size, specification and positioning of the public square will provide a high quality asset for the Borough which could host street markets, musical performances and a temporary ice rink in Winter.
- Foundation events could include dance festivals, talent competitions, drama workshops and temporary sports facilities like beach volleyball, boxing training and extreme sports.
- The square could also host community workshops, health screening units, blood donations, aerobics sessions and organised family picnic days, used by a wide range of organisations.
- The design of the square includes the creation of two distinct but connected spaces – an active space for events and performances and a second smaller space. Together they provide places to host events as well as to read, meet up or just relax.

“There is a real need for the economic boost this scheme will deliver and I believe the Northumberland Development Project will make a dramatic and positive difference to North Tottenham. The new public square in particular has the potential to host a wide variety of events and activities and to create a real buzz on the High Road.”

David Lammy,
MP for Tottenham



BUILDING GOOD

FOUNDATIONS



“You can rightly be proud of the work of the Foundation which is now widely recognised as one of the most comprehensive, effective and innovative organisations of its kind.”

Daniel Levy
Chairman, Tottenham Hotspur plc



The Tottenham Hotspur Foundation is dedicated to creating opportunities that change lives. Using sport and in particular football as a vehicle, the Foundation has a positive impact on the lives of tens of thousands of children, groups and individuals across North London, Hertfordshire and Essex.

As a registered charity, the Foundation has attracted more than £2m of additional funding to deliver specialist programmes that tackle key social issues:

- Inspiring and improving achievement
- Building community cohesion
- Promoting healthy lifestyles
- Supporting people with disabilities

More than **70 different programmes** are currently run by the Tottenham Hotspur Foundation.

.....
25% reduction in crime and anti-social behaviour on the Ferry Lane estate when the Foundation runs Kickz sessions.
.....

.....
6,000 children pass through the **Spurs Learning Zone** at White Hart Lane each year.
.....

.....
13,000 sporting opportunities are created by the Foundation for people with learning difficulties and/or physical disabilities each year.
.....

70+

different community programmes are currently run by the Tottenham Hotspur Foundation

DOING OUR BIT FOR THE

ENVIRONMENT





“It is no exaggeration to say that climate change is one of the greatest challenges facing us on a global scale and, as a business which is a potential conduit to millions of individual supporters and with plans for two new major developments, it is key that we seek to play our role and effect a behaviour change and awareness that delivers results now and in the future.”

Daniel Levy
Chairman, Tottenham Hotspur plc



The Club is a founding participant of a new environmental campaign called 10:10 and in doing so has joined thousands of individuals and organisations from across the country committed to making a 10% cut in carbon emissions during 2010.

The Club's commitment to the environment and 10:10 has seen the introduction of a number of measures to improve energy efficiency. This includes the installation of a new lower wattage floodlight system at The Stadium, improvements in waste disposal and an increased awareness amongst employees to be more energy efficient in all areas. The Club is continuing to look at further improvements across its entire business from sending 90% of our annual reports electronically rather than in a paper format, to reducing washing temperatures in the laundry room.

Consideration of the environment is of paramount importance in our planned capital projects. Our new Training Centre will reduce carbon emissions by 30% and our planned new stadium by 40% more than the amount stipulated in current Building Regulations. Furthermore, the measures set out in our planning application for our new stadium will make it one of the most sustainable in the UK.

CHAIRMAN'S STATEMENT

The robust and well financed nature of our business, early prudent financial management measures, profitable player trading and the continued, unwavering loyalty of our supporters has meant that we are able to announce a record profit before tax for the year.

This vindicates our cautious approach in anticipation of difficult trading conditions and shows the underlying strength, diverse revenue streams and fundamental good health of our business.

Financial highlights

This year's financial results for the year ended 30 June 2009 have seen revenue all but reach the same level as that achieved in the previous year, reaching £113.0m (2008: £114.8m). With domestic TV revenues continuing to increase we should have exceeded last year's turnover had it not been for reduced merchandising revenues and Cup competition receipts.

The Club made a record player trading profit of £56.5m (2008: £16.4m), contributing towards a pre-tax profit of £33.4m (2008: £3.0m). The funds generated through player sales have been re-invested in the First Team as we continually strive to improve our squad year-on-year.

Aside from investing in the First Team squad, we took the pre-emptive steps of reducing our operating costs in advance of the downturn in the economy and this has held us in good stead during this difficult economic period. Further support from our majority shareholder also ensured that the planning costs of our building projects were funded, ensuring that investment in the First Team remained unaffected.

Capital projects

Within this financial period, we have held two public consultation exhibitions for the Northumberland Development Project – our new stadium and related developments. Held in November 2008 and April 2009, both received overwhelmingly positive responses and provided valuable feedback from the local community and fans. We have continued to evolve the design and composition of the stadium and the surrounding development.

We have now submitted our planning application – a hugely important step for the Club.

From the outset our aim has been to create a scheme of major benefit for local people and to deliver the most fan friendly stadium in Europe. Not only will every single seat have an exceptional view of the action and fans will find themselves closer to the pitch than at any other comparable stadium, but the stadium design now also includes a new single tier stand

which further demonstrates our absolute commitment to create the most atmospheric stadium possible for our supporters.

The scheme submitted represents a multi-million pound investment in the area and brings with it housing, a hotel, retail developments including a supermarket and expanded community services and jobs.

The Club, through the Tottenham Hotspur Foundation, has a long established, productive and valued partnership with Haringey Council and local community groups. This development would enable the Tottenham Hotspur Foundation to further enhance its role in the local community through greatly improved facilities and the management of the exceptional public space incorporated in the scheme design.

In the past two years the Foundation has worked to attract more than £2m of additional funding into the Borough for its projects in Haringey, an area with significant socio-economic challenges such as the levels of crime and unemployment.

We have also embraced environmental sustainability as part of the plans, delivering a 40% reduction in carbon emissions against current building regulations which will make it one of the best performing stadia of its kind in the UK.

We have held extensive talks with the transport operators and Transport for London and have developed a clear and workable transport plan.

We have continued to acquire the remaining properties on the site of the new stadium and in total, our capital commitment to the project, over the last six years, stands at over £61m.

As a Club, we are proud of our roots in Haringey and the Northumberland Development Project has the real potential to act as a powerful catalyst for the uplift of the wider area and I am personally delighted to have reached this stage.

The worldwide recession has made the task of funding the new development all the more challenging and we are working on a number of projects that may provide funding streams to assist the development. We feel we have taken a prudent approach to minimise the Club's exposure to debt by continuing to pursue supporting development around the stadium that significantly cross subsidises the whole project and our search for a naming rights partner has also commenced.

Also outside of this period, we enjoyed a second important landmark for the Club when, in September, we formally

WE ENJOYED A SECOND IMPORTANT LANDMARK FOR THE CLUB WHEN, IN SEPTEMBER, WE FORMALLY LAUNCHED THE START OF WORKS ON THE NEW TRAINING CENTRE AT BULLS CROSS, ENFIELD.

launched the start of works on the new Training Centre at Bulls Cross, Enfield.

Having fulfilled the pre-development planning conditions, we were able to commence work on transforming the site into a world-class facility to house our First Team, Development and Academy squads.

The start of these works marked a significant stage in a long and at times challenging journey to deliver a new training facility for our Club – a facility that will be the best in Europe.

Any club with major aspirations needs a state-of-the-art training centre in order to be able to attract and train top quality players and enable the Club to compete at the highest level. It will also provide a new facility for the work of the Tottenham Hotspur Foundation in the local community.

It has, understandably, not been an easy project to achieve and involved five years of hard work, co-operation and determination to reach this stage and I should like to thank all those involved in bringing the vision to reality. We anticipate that the works will take in the region of three years to complete.

On the pitch

After a hugely disappointing start to the 2008/2009 season, performances improved to leave us in eighth place, just one short of a UEFA Europa League spot. In our third consecutive campaign in the formerly-named UEFA Cup, we qualified through the group stages before being knocked out by the eventual winners Shakhtar Donetsk. In The FA Cup we were knocked out in the fourth round by Manchester United. However, for the second year running, we reached the final of the Carling Cup and another occasion for our fans to travel to Wembley where after a closely fought final we were beaten on penalties by Manchester United.

During the financial year the following players joined the Club: Luka Modric, Giovanni Dos Santos, Heurlho Gomes, David Bentley, Vedran Corluka, Cesar Sanchez, Roman Pavlyuchenko, Wilson Palacios, Carlo Cudicini, John Bostock, Paul-Jose M'Poku Ebunge and Mirko Ranieri whilst Jermain Defoe, Pascal Chimbonda and Robbie Keane all re-signed. The total cost of all of these players was £119.3m.

Radek Cerny, Joe Martin, Robbie Keane, Dimitar Berbatov, Pascal Chimbonda, Teemu Tainio, Steed Malbranque, Younes Kaboul, Anthony Gardner, Paul Robinson, Tommy Forecast, Young-Pyo Lee, Hossam Ghaly, Dag Olsen and Cesar Sanchez left during the year for a combined sale price of £72.5m.

Since the year end we have boosted our squad with the following signings: Peter Crouch, Sebastien Bassong, Niko Kranjcar, Kyle Naughton, Kyle Walker and James Walker at a cost of £29.4m.

The following players have left since the year end: Didier Zokora, Chris Gunter, Gilberto, Yuri Berchiche, Darren Bent, Pascal Chimbonda and Kevin-Prince Boateng for combined transfer fees of £20.8m.

In the summer of 2009, the First Team squad competed in and won the Barclays Asia Trophy and also participated in the Wembley Cup.

At the Academy level Tottenham Hotspur came top of the Premier Academy League for the first time since Academies were introduced in 1997. They then defeated Sunderland at the Stadium of Light before losing to Arsenal in the Play-Off final.

Our record crowd for an FA Youth Cup tie was broken when 19,084 tickets were sold for the sixth round meeting with Arsenal.

Of the five tournaments entered, two in Switzerland were won. The Under-19 Torneo Internazionale at Bellinzona during April saw us defeat Barcelona in the Semi-Final then Sporting Lisbon in the final. The Under-20 Tournoi Internationale de Monthey was retained with victory over Hajduk Split in the final at the end of May. Furthermore, in July our Under 16s won the Puma Cup in Minnesota USA.

We also reached the finals of the Eurofoot and Memorial Jacobo Diaz Camino tournaments during August and gained a creditable Bronze Medal at the Copa Internacional Chivas tournament at Guadalajara, Mexico during January. In preparing our players to play in the Premier League, a priority strategy is exposing them to different football styles and cultures from around the globe.

Six Academy players made their debuts for the First Team: Ryan Mason, Jonathan Obika, John Bostock, David Button, Daniel Rose and Dean Parrett.

We withdrew from the Reserve League following this season in order to provide a more appropriate challenge for these young players, allowing them to optimise their development against Football League teams whilst still having access to training at Spurs Lodge. Nineteen players have gone on loan in the 2009/2010 season. Tottenham Hotspur is the first Premier League club to take this innovative approach by exclusively bridging the gap from youth to senior football in this way.

CHAIRMAN'S STATEMENT (continued)

Commercial operations

During the year, the Club renewed its agreement with MBNA, one of our commercial partners, for a further five years.

One area of the business which has not been immune to the knock-on effects of the global recession has been corporate hospitality. In line with the market we have seen a reduction in the sale of longer term box leases and lounge memberships.

Merchandise has also seen a flattening out of sales, but this is in comparison to a previous season where sales were buoyed by our 125 Anniversary range of merchandise and winning the Carling Cup.

The Club has embarked on a process of centralising all data in order to better understand the profile of our fans and enhance and tailor our offering and services to our widening supporter base. We currently have over 23,000 One Hotspur members on the waiting list for season tickets. Our decision to freeze prices for up to two years ensured another excellent renewal rate. The release of additional tickets for seasonal sale means that we now have close to 24,000 One Hotspur season ticket members.

Our official Club website continues to attract a high volume of traffic with around one million unique users visiting it monthly. A review of its functionality has seen a recent re-design.

Spurs TV continues to attract the highest levels of subscriptions of any comparable Premier League club channel and was hugely popular when screening live UEFA games.

Finally, our search for a new shirt sponsor to replace MANSION is well underway. Our commercial team is talking to companies in different corners of the world regarding the shirt sponsorship along with the opportunity to sponsor our proposed new stadium. We have been greatly encouraged by the interest and enthusiasm shown for both opportunities from companies in varied sectors and discussions continue.

International development

During the financial year we agreed a partnership with the US Major Soccer League San Jose Earthquakes to add to our partnership with Supersport United in South Africa.

Since the year end we have also announced a strategic partnership with Brazilian club Sport Club Internacional that will enable us to track emerging talented players from Brazil and the rest of South America. We have concluded a tie-up with South China in Hong Kong.

We are now looking at similar partnerships in India and the Middle East and recently supported India's team in the Homeless World Cup.

The objective of all of these associations is to further develop the brand and fan base internationally, effect the exchange of coaching methodologies and coaches, as well as participation in tournaments and training programmes for both academy players from our own and the associated club's academies.

Tottenham Hotspur Foundation

The Tottenham Hotspur Foundation has gone from strength to strength since it achieved charitable status two years ago and was established with £4.5m of funding by the Club – using sport, and in particular football, as a vehicle to create potentially life changing opportunities for children, groups and individuals within our communities.

As a registered charity, it directly touches the lives of tens of thousands of people across North London with specialist programmes that directly tackle key social issues – improving achievement, building community cohesion, promoting healthy lifestyles and supporting people with disabilities – working with a wide range of partners including central and local government departments, schools, colleges, businesses and charitable trusts to design programmes that engage with all sections of the community.

I have mentioned the Foundation twice before in this statement and that underlines the importance we afford the much valued work it carries out and the role it plays. It will deliver over £2m of outreach programmes in Enfield alongside the development of our new Training Centre at Bulls Cross and in support of our increasing role to be played in the local community there. Additionally, the Northumberland Development Project now provides a unique opportunity to continue our valued role in the Tottenham area through the proposed new facilities and unique public space.

You can rightly be proud of the work of the Foundation which is now widely recognised as one of the most comprehensive, effective and innovative organisations of its kind.

Other charitable donations

This period saw us host the successful World Orphan Week (WoW) launch for our international charity, SOS Children's Villages. We focused on a matchday when our supporters generously contributed and participated in the spirit of the occasion by wearing something WoW related.

During the pre-season trip to the Far East, players visited and took gifts to the new SOS Children's Orphanage in Beijing. We continue to maintain the Club's SOS House in Rustenburg, South Africa.

We give priority to charities in the locality of our operations and also contribute to national fund-raising campaigns such as Comic Relief, Sports Aid and Help for Heroes.

Environmental responsibility

It is no exaggeration to say that climate change is one of the greatest challenges facing us on a global scale and, as a business which is a potential conduit to millions of individual supporters and with plans for two new major developments, it is key that we seek to play our role and effect a behaviour change and awareness that delivers results now and in the future.

During this period the Club has continued to take measures to ensure greater energy efficiency – this has included better insulation, timed lighting, lower wattage floodlights, more recycling and increased awareness of what we can all do amongst our employees and supporters. In addition, as agreed at last year's meeting, we have taken the step of sending 90% of these reports electronically rather than in a paper format, thereby reducing significantly the amount of copies that need to be printed and distributed.

The Club has also become a founding participant in 10:10, the environmental campaign encouraging a 10% reduction in the carbon footprint by 2010.

Management and staff

Following the Club's worst start to a season in its history, changes to our coaching staff became inevitable and we terminated the contracts of Head Coach Juande Ramos and his First Team Coaches Marcos Alvarez and Gus Poyet in October 2008, along with Sporting Director Damien Comolli. We thanked them for their contribution to the Club which included the winning of silverware with the League Cup in February 2008.

Harry Redknapp was appointed as Manager and Kevin Bond and Joe Jordan were added to the coaching staff and we swiftly saw an improvement in our results that saw us finish a creditable eighth in the Premiership.

I should like to thank all of our staff for their enthusiasm, hard work and loyalty during an extremely challenging year.

I should like to once again thank Mervyn Davies, now Lord Davies of Abersoch, for his experience and guidance in his time as a Non-Executive Director and wish him well in his new position in Government. I should also like to thank Sir Keith Mills once again for his guidance and advice at what is a key time for the Club. In addition to being our Non-Executive Director, Sir Keith is currently a Director of The London Organising Committee of the Olympic Games, on the Board of the World Cup 2018 Bid Team and is also head of the British America's Cup team. His engagement in sport is immense and he is a much valued member of the Board.

Outlook – Building for the future

Four wins in a row kicked off our 2009/2010 season and our progress to date has put us in a good position to challenge for one of the European spots for next season. Our hope must be that our good early season form continues and we find the consistency that has eluded us in previous campaigns.

Importantly, we have made significant progress in delivering on our long-term vision for the Club. We have always had three key priorities and you will have heard them oft repeated – investment in the First Team, a new Training Centre and an increased capacity state-of-the-art new stadium.

We have assembled what we believe to be one of the most talented squads we have had during our time in the Premier League, the ground is being turned and pitches laid for the new Training Centre at Bulls Cross in Enfield and we have submitted a planning application for a stunning new stadium on a site next to our existing stadium.

None of this would be possible without an extraordinary team effort by everyone involved.

We are about to begin a period of intense activity that puts London and our Club in the spotlight for sport – we hope to see a number of Tottenham Hotspur players join the ranks of the England team now qualified for the World Cup 2010 in South Africa, London plays host to the Olympics in 2012 with football a growing Olympic sport and we shall be strongly supporting London's bid for the World Cup 2018, with our new stadium a proposed venue.

I should like to thank our shareholders for their support, our staff for their commitment and supporters for their immense enthusiasm and loyalty.



Daniel Levy
Chairman

9 November 2009

THE TOTTENHAM HOTSPUR FOUNDATION HAS GONE FROM STRENGTH TO STRENGTH SINCE IT ACHIEVED CHARITABLE STATUS TWO YEARS AGO.

FINANCIAL REVIEW

This year is the third in succession that the Club can announce a profit before tax for the year and these latest set of financial results show a record profit before tax of £33.4m (2008: £3.0m), driven by a profit on player trading of £56.5m (2008: £16.4m).

Revenue

Overall, revenue fell by 2% to £113.0m (2008: £114.8m) but, given the economic climate over the past twelve months, this represents a strong performance by the Club and illustrates the robustness and diversity of our business activities.

Premier League gate receipts rose by 8% to £19.8m (2008: £18.3m) reflecting continuing strong attendances despite poor early performances.

The Club reached the Carling Cup final for the second successive year and progressed through the group stages of the UEFA Cup. There was also a fourth round defeat in The FA Cup. In total, the cup competitions raised £8.1m (2008: £10.3m) in gate receipts and prize monies.

Media and broadcasting revenues increased by 11% to £44.8m (2008: £40.3m). This gain is partly attributable to a higher merit fee award based on our final League position of eighth compared to eleventh the previous season but also the number of times the Club featured in live televised games, which has increased on the prior year, giving the brand increasing global exposure and securing the Club as one of the most televised clubs in the Premier League. The addition of ESPN as a media partner of the Premier League further strengthens the underlying covenant of future revenues.

Sponsorship and corporate hospitality income remained strong at £27.4m (2008: £27.8m) with merchandising falling to £7.0m (2008: £9.7m) although the prior year figures were boosted by sales relating to the Club's 125th anniversary, the Carling Cup win and the timing of new kit launches.

Operating expenses (excluding football trading)

Operating expenses before football trading rose by £7.3m to £94.6m in the year. Player salaries have risen due in part to the investments made in the squad in January. Unrealised foreign exchange differences that result from the weakening of Sterling against the Euro and significant one-off costs incurred relating to the restructuring of coaching staff as mentioned in the Chairman's Statement also contributed to the increase in operating expenses. Other operating costs through all departments were reduced during the year reflecting the Club's ongoing and prudent cost control policies which were enhanced

by a complete review of all departmental budgets during the year.

Profit from operations (excluding football trading and amortisation)

The Club's operating profit before football trading and amortisation is £18.4m (2008: £27.5m).

Amortisation and impairment of intangible assets

Amortisation and impairment of intangible assets are £37.3m (2008: £37.3m) as the Club maintains the continued investment in its playing squad.

Profit on disposal of intangible assets

Profit on the disposal of intangible assets was £56.5m for the financial year (2008: £16.4m), including £23.4m relating to the sale of Dimitar Berbatov to Manchester United and £17.5m relating to the sale of Robbie Keane to Liverpool. Other significant sales in the year include Steed Malbranque, Teemu Tainio and Pascal Chimbonda to Sunderland for a combined net profit of £7.3m and Paul Robinson to Blackburn Rovers for a profit of £2.9m.

Net finance expenses

Net finance expenses have reduced from £3.9m to £3.4m. This is largely due to the reduction in the UK base rate and the profile of payments and receipts in respect of player trading.

Profit before taxation

The overall result of the above is that profit before taxation is £33.4m for the year (2008: £3.0m). This represents an earnings per share of 25.0p (2008: 1.0p). Clearly this is a reflection of the significant profits on player trading, the proceeds of which have subsequently been reinvested in the playing squad.

Taxation

The Group has incurred a tax charge of £10.2m in the current year (2008: £2.0m), an effective tax rate of 28% (2008: 29.5%), of which £8.4m is deferred tax. Therefore profit after tax is £23.2m (2008: £1.0m).

Balance sheet

The significant investments the Club has continued to make over the past twelve months in the Northumberland Development Project, the new Training Centre and the playing squad as discussed above account for the major movements in the balance sheet. As a result, property, plant and equipment have increased from £74.1m to £103.3m and intangible assets have more than doubled from £62.4m to £128.4m. The Group now has total assets of almost £300m.

OUR SUPPORTERS CONTINUE TO DEMONSTRATE UNWAVERING SUPPORT FOR OUR TEAM AND CLUB. ATTENDANCES ARE CONSISTENTLY HIGH WITH OVER 23,000 PEOPLE ON THE WAITING LIST FOR SEASON TICKETS.

Group net assets are £62.1m (2008: £42.6m) whilst net debt excluding CRPS remains at a comparatively low level of £45.9m (2008: £14.6m). The significant capital additions to the First Team squad and property portfolio have been funded by a combination of the Club's cash flows and the Club's existing loan facilities which has resulted in an increase of net debt. At 30 June 2009 the Group had £64.5m (2008: £84.1m) of undrawn committed bank borrowing facilities as disclosed in note 18.

In September 2009, the Club placed 30 million new ordinary shares of 5p each, raising £15.0m to assist with the Northumberland Development Project.

Cash flow

The Group had a net cash inflow from its operations of £29.9m for the year (2008: £35.2m).

Finance costs have risen by £0.9m due to increased borrowings to fund the £32.1m of properties, plant and equipment that were acquired during the year. We had a cash outflow of £68.6m (2008: £27.5m) to acquire players and pay contingent sums arising from transfer agreements, but this is partially offset by £47.2m (2008: £16.2m) of cash inflows from player sales and contingent receipts. The other major cash movements were the drawdown of £14.6m in property loans to help fund the Northumberland Development Project. These movements have resulted in a net decrease in cash of £15.7m (2008: increase of £7.0m). We continue to balance cash inflows with the need to strengthen the squad and continue with the long-term capital projects we have committed to.

During the year a £5.0m short-term revolving loan which forms part of the Group's facility with HSBC Bank was utilised. The Group repaid £4.0m of other borrowings during the year.

The final dividend of 4p per ordinary share for the year ended 30 June 2008 was paid in the year with a cash outflow of £3.7m and as noted during the recent fund raising the Directors are not proposing a dividend this year.

Risks and opportunities

The Group is exposed to a range of risks and uncertainties which have the potential to affect the long-term performance of the Group. Risks are monitored by the Board on a continual basis and the Group seeks to mitigate the risks wherever possible.

The Club is reliant on the Premier League brand and exposed to the external governing bodies of The FA, UEFA and FIFA. Clearly any changes in these bodies can affect our business model.

On the pitch

The continued success of the First Team in the League, European and cup competitions is an important factor in securing the long-term stability of the Group. This is especially true given the significant increase in income generated from TV revenues under the central FAPL TV deal.

Our ambitions in these competitions can only be achieved with the continued commitment of the playing staff, the football management team and our supporters. Our approach to nurturing both home grown talent and acquisitions through the transfer market will help the team to secure future success on the pitch.

There is always continued upward pressure on player costs and salaries, which continue to require significant cash outflows. Accordingly, the challenge for the Group continues to be to locate players of both quality and value through the transfer market and Academy.

Our supporters continue to demonstrate unwavering support for our team and Club. Attendances are consistently high with over 23,000 people on the waiting list for season tickets. We are continually seeking ways to increase our fan base overseas and add value for domestic fans. This continued support together with that of our sponsors and other commercial partners is of utmost importance in ensuring that the Club is able to prosper.

Off the pitch

The development of the new stadium will expose the Group to additional risks. The risks that we might not obtain planning permission or obtain the necessary financing would have a significant negative impact and require a write-off of professional fees paid to date. In addition, there may be property write-downs that would impact the income statement.

We continue to explore new opportunities in order to broaden our range of income streams both nationally and internationally. This continued diversification of our income streams will help to ensure the Group is financially robust and increases our stability.



Matthew Collecott
Finance Director
9 November 2009

DIRECTORS' REPORT

The Directors present their Annual Report on the affairs of the Group together with the financial statements and Auditors' Report for the year ended 30 June 2009.

Principal activities and business review

The principal activities of the Group continue to be the operation of a professional football club in England together with related commercial activities. In addition, the Group continue to acquire numerous properties with a view to a new stadium development. A review of the Group's business, an indication of the likely future developments of its business and a description of the principal risks and uncertainties facing the Group are contained in the Chairman's Statement and the Financial Review set out on pages 20 to 25.

Environmental matters and employee matters

The Group seeks to maintain its strong track record as a responsible employer. We seek to minimise the Group's impact on the environment and endeavour to achieve this through recycling and energy conservation wherever possible. The Club is a founding participant of a new environmental campaign called 10:10.

We are also committed to maintaining a workplace of the highest standard and seek to do so by ensuring that we provide training programmes, appropriate remuneration and a positive working environment.

Financial risk management objectives and policies

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

The Group addresses cash flow risk by carefully managing its working capital inflows and outflows. The Group hedges its interest exposure by using fixed interest rate facilities where it is deemed appropriate. The Group is exposed to foreign currency exchange risk through its player transactions but manages its working capital inflows and outflows to minimise any material foreign exchange risk. The Group does not enter into complex financial instruments for speculative purposes. Further information is provided in note 20 to the financial statements.

Results and dividends

The audited consolidated income statement for the year ended 30 June 2009 is set out on page 36.

The Directors have not recommended the payment of a dividend (2008: 4 pence per ordinary share).

Post balance sheet events

Details of post balance sheet events are given in note 29 to the accounts.

Share capital

On 15 December 2008 the Directors were granted the authority, under a shareholders' resolution, to purchase through the market 13,908,707 of the Company's ordinary shares at prices ranging between 5p and a maximum of 105% of the average mid-market price quoted for the five business days prior to the purchase. A second resolution granted the authority to purchase through the market 8,740 of the Company's convertible redeemable preference shares ("CRPS") at prices ranging between £78.10 and a maximum of 105% of the average mid-market price quoted for the five business days prior to the purchase.

During the year the Company did not purchase any ordinary shares or any CRPS.

These authorities expire on 10 December 2009 and similar resolutions will be put to shareholders at an Annual General Meeting of the Company to be held on 10 December 2009 to ensure the Directors have the flexibility to enhance shareholders' value, and to enable the Board to reduce the long-term cost of servicing shareholders who have been prohibited from exiting their investments due to the comparatively high transaction cost of selling their shares.

Directors

None of the Directors who served during the year held a beneficial interest in the ordinary share capital of the Company at 30 June 2009.

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

At the year end ENIC held 66,186,990 ordinary shares representing 71% of those in issue and 56,214 convertible redeemable preference shares, representing 96% of those in issue. Post year end there was a placing of an additional 30 million ordinary shares of which ENIC acquired 27.8 million. Accordingly, ENIC has a fully diluted beneficial interest in Tottenham Hotspur plc of 85% (2008: 82%) at the time of signing these financial statements.

Except as noted above, none of the Directors has any other interest in the share capital of Tottenham Hotspur plc or any of its subsidiaries.

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

Details of the Directors' remuneration are given in the Report of the Remuneration Committee on pages 33 and 34. Directors' interests in contracts are disclosed in note 26.

Disclosure of information to the auditors

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

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

This information is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Substantial shareholdings

The Company has received the following notification of holdings of 3% or more of the share capital of the Company as at 1 November 2009:

	Ordinary shares		Convertible redeemable preference shares	
	%	Number	%	Number
ENIC International Limited	77	93,986,990	96	56,214
Michael Ashcroft	3	3,690,000	2	1,221

Charitable and political donations

The Group made cash donations of £26,450 to international, UK-based and local charities during the year (2008: £49,696). The Group made no political donations during the year (2008: £nil). The Group made contributions with a value in excess of £0.5 million to Tottenham Hotspur Foundation during the year. In addition, the Group makes many other contributions of Tottenham Hotspur Football Club memorabilia to local registered charities, especially in the Haringey and Enfield districts and adjacent catchment areas.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment within the Group continues and appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons, should as far as possible, be identical to that of other employees.

DIRECTORS' REPORT (continued)

Employees consultation

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

Supplier payment policy

The Group's policy on payment of creditors is to negotiate payment terms when agreeing the terms of each transaction. In the majority of cases this involves payment within 30 days of the invoice date; however, where discounts are available it is generally the policy to pay earlier and benefit accordingly. Trade creditors at 30 June 2009 represented 43 days (2008: 44 days) of annual purchases. This figure excludes contracted creditors in respect of player purchases and capital costs which are paid on their contractual due dates.

Tangible fixed assets

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

Going concern

The Board of Directors continually monitor the Group's exposure to a range of risks and uncertainties, including the success of the First Team and our level of spending thereon, the current economic downturn and the need for additional funding requirements of a new stadium development. The Financial Review details these risks and uncertainties, the Group's financial performance and position for the year and its cash flows and funding position. In addition, note 20 to the financial statements includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposure to credit and liquidity risk. The Directors believe that these risks and uncertainties are mitigated by, inter alia, the robust nature of our business with long-term fixed revenues from the key business areas, notably the FAPL TV deal.

The Board of Directors have undertaken a recent thorough review of the Company's budgets and forecasts and have produced detailed and realistic cash flow projections. These cash flow projections, which when considered in conjunction with the Group's existing loans, overdrafts and cash which included consideration of reasonably possible changes in trading performance and available banking facilities, demonstrate that the Group will have sufficient working capital for the foreseeable future. Consequently, the Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future and the financial statements have been prepared on the going concern basis.

Directors' indemnities

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

Auditors

Deloitte LLP were the Company's auditors during the year and have expressed their willingness to continue in office as auditors. A resolution to reappoint Deloitte LLP as the Company's auditors will be proposed at the forthcoming Annual General Meeting of the Company.

Annual General Meeting

The Annual General Meeting of the Company will be held on 10 December 2009 at the Company's Registered Offices.



Daniel Levy
Chairman

9 November 2009

CORPORATE GOVERNANCE

Compliance with the Principles of Good Governance and Code of Best Practice as appended to the Listing Rules of the Financial Services Authority (the "Combined Code").

Introduction

The UK Listing Authority requires all listed companies to disclose how they have applied the principles of good governance and complied with the provisions set out in section 1 of the July 2003 FRC Combined Code (the "Code"). Although there is no requirement for an AIM quoted company to comply with the Code, the Directors of Tottenham Hotspur plc (the "Company") have in recent years adopted it as best practice wherever practical and applicable to the size and operation of the Company.

However in the year to 30 June 2009 the Company has not been able to comply with the provisions set out in section 1 of the code for part of the year because subsequent to 19 January 2009 there was only one Non-Executive Director, Sir K E Mills, following the resignation of Lord Davies of Abersoch in order to join the Government. As a result the Company has not been able to comply with principles A3, B2 and C3 for part of the year, which recommend that the Board should include a balance of Executive and Non-Executive Directors and that the Remuneration and Audit Committees should comprise at least two independent Non-Executives.

There are currently two Executive Directors (D P Levy and M J Collecott); and the Board considers that it is adequate for two Executive Directors to deal with the management of a company of this size within this industry. Following the resignation of Lord Davies during the year, the Group currently only have one Non-Executive Director, Sir K E Mills. The Board consider that Sir K E Mills has the ability and authority to ensure the current make up of the Board is appropriate for the Group and its shareholders.

There are three further principles that the Company does not currently comply with nor does the Board envisage it will comply with in the next year.

- 1 Principle A.2 states that there should be a clear division of responsibilities at the head of the Company between the running of the Board and the executive responsibility for the running of the Company's business. The roles of Chairman and Chief Executive are currently combined. As Chairman and Chief Executive, D P Levy is responsible for running both the Board and the Group's business. In the Board's view the independent Non-Executive Director has the ability and authority to ensure the Group and its shareholders are not disadvantaged by this combination of roles.
- 2 Principle A.4 states that there should be a nomination committee which should lead the process for Board appointments and make recommendations to the Board. The Board considers that a nomination committee is not appropriate due to the relatively small size of the Board.
- 3 Principle A.6 states that the Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual Directors. The Board does not feel it necessary to operate a formal Board evaluation policy because, due to the frequency with which the Board meets (as noted below), any issues concerning the performance of an individual Director would be promptly identified and, if necessary, rectified.

Furthermore, Provision A.3 states that the Board should state its reasons if it determines that a Director is independent notwithstanding the existence of relationships or circumstances which may appear relevant to its determination, including if the Director has had a material business relationship with the Company as a senior employee of a body that has such a relationship with the Company. The Group invoiced Standard Chartered PLC, of which E M Davies, now Lord Davies of Abersoch, was Non-Executive Chairman, a total of £3,750 during the part of the year for which he remained a Non-Executive Director, for sponsorship and corporate hospitality services (2008: £19,740). The Board consider that during this time Lord Davies remained independent as the services provided were not of a material nature to Standard Chartered PLC as it was in relation to corporate hospitality sales with no ongoing obligations or commitments and was negotiated at arm's length.

The Board and its Directors

The Executive and Non-Executive Director are named above. Further details about the Directors are contained within 'The Club' section of the Club's website www.tottenhamhotspur.com.

Non-Executive Directors are appointed for an initial term of a year and their service contracts provide for a notice period of three months. They are independent of management and free from any business or other relationship, which could materially interfere with the exercise of their independent judgement. All Directors are subject to re-election at the first Annual General Meeting following their appointment. The Articles of Association also provide for one-third of the Board to retire by rotation at each Annual General Meeting.

The Board met formally on six occasions during the year to discuss matters specifically reserved for decision by the full Board, which have been separately defined. In addition the Board meets informally on many occasions throughout the year when attending both home and away Tottenham Hotspur fixtures.

CORPORATE GOVERNANCE (continued)

The Board and its Directors (continued)

The Board is responsible for the development of commercial strategy, monitoring and approval of major business matters and the approval of the financial statements. Prior to each meeting, the Board is furnished with timely financial and non-financial information in a form and quality for it to discharge its duties.

The ultimate responsibility for reviewing and approving the Annual and Interim Reports and for ensuring that they present a balanced assessment of the Group's position lies with the Board.

The Board has established a number of committees and delegates the day-to-day responsibility of managing the Group to the Executive Directors. There are two principal committees of the Board, the Audit and the Remuneration Committees, both of which have defined terms of reference and duties.

The specific terms of reference for all of the Committees may be obtained from the Company Secretary at the Registered Office. The terms and conditions on which Non-Executive Directors are appointed may also be obtained from the Company's Registered Office.

The Company Secretary attends all of the Board and Committee meetings and is responsible for the preparation and distribution of all agenda, minutes and related Board and Committee papers.

A procedure has been established by which Directors are able to take independent professional advice and obtain the appropriate training, deemed necessary in the pursuance of their duties, at the expense of the Company.

Audit Committee

The Audit Committee (Chairman: Sir K E Mills), which met on two occasions during the year, has responsibility for, among other things, reviewing the scope and results of the audit, the overview of the Annual Report, considering compliance with legal requirements, accounting standards, the AIM rules of The London Stock Exchange, for advising the Board on the requirement to maintain an effective system of internal control and for reviewing the arrangements by which staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

The Audit Committee meets the external auditors independently from the Executive Directors and reviews matters brought to its attention by the external auditors. The Committee also reviews the objectivity, approach and cost effectiveness of both their audit and non-audit services. In accordance with best practice, the external auditors have confirmed their audit independence in writing to the Committee.

The Committee recommended to the Board that Deloitte LLP be proposed for reappointment at the forthcoming Annual General Meeting. This recommendation has been accepted and will be proposed to the shareholders.

Remuneration Committee

The Remuneration Committee (Chairman: Sir K E Mills), which met on two occasions during the year, has responsibility for making recommendations to the Board, within agreed terms of reference, on the Company's policy on remuneration and the individual remuneration packages for the Executive Directors, including any compensation payments. Remuneration packages are established when the Directors are appointed.

The Executive Directors may attend meetings at the invitation of the Committee but are not included in discussions concerning their own remuneration package.

A report on Directors' Remuneration is set out on pages 33 and 34.

Internal control

The Board complies with the Combined Code recommendations and revised guidance on internal control and maintains a sound system of internal control to safeguard shareholders' investments and Company assets.

The Board is responsible for the Group's system of internal control. A process of identifying, evaluating and managing the significant risks faced by the Group was in place from the start of the year and to the date of approval of the Annual Report, and is in accordance with Turnbull guidance. Any system of controls can, however, only provide reasonable and not absolute assurance against material misstatement and loss.

The key features of the financial controls of the Group, which have been in place throughout the year ended 30 June 2009 and up to the date of approval of this Annual Report, include a comprehensive system of financial reporting, budgeting and forecasting, and clearly communicated accounting policies and procedures. Financial control is monitored centrally and authorisation of expenditure is closely monitored by the Executive Directors. The Executive Directors receive selected information daily. Income statement, balance sheet and cash flow information is prepared each month and reviewed by relevant Executives. The Board is furnished with regular financial information. The public release of the Annual and Interim Reports is not made until it has been reviewed by the Board.

In addition to financial controls, there is an established “whistle blowing” procedure in place where employees may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. Working groups have also been established involving management, external consultants and operational staff at all levels. Cross-group meetings take place to ensure that the risks arising are reviewed, communicated and clearly understood and steps have been taken to ensure the controls in place mitigate, minimise or prevent their eventuality. The Executive Directors discuss key issues at Board meetings. The Board feels that this allows it to review the effectiveness of internal controls and is sufficient to ensure that key risks are identified in a timely manner, evaluated by the correct level of management, and mitigated, where possible, through a system of control measures and reported upon satisfactorily. Given the Group’s size the Board does not consider that it would be appropriate to have its own internal audit function at present.

Financial reporting

Detailed reviews of the year are included in the Chairman’s Statement and Financial Review on pages 20 to 25. The Board uses these and the Directors’ Report to present a balanced and understandable assessment of the Company’s position and future prospects. The Directors’ responsibilities for the preparation of the financial statements are described below.

Relationships with shareholders

The Board recognises the importance of maintaining strong relationships with its shareholders. The Directors seek to build on a mutual understanding of objectives between the Company and shareholders and communicate with private and institutional investors through the Club’s website, www.tottenhamhotspur.com and all other media channels available to them.

All shareholders will be given at least 21 working days’ notice of the forthcoming Annual General Meeting at which the Executive and Non-Executive Directors and key staff will be available to answer questions from shareholders.

Directors’ responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and have elected to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the parent company financial statements, the Directors are required to:

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

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

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

CORPORATE GOVERNANCE (continued)

Directors' responsibilities statement (continued)

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the management report, which is incorporated into the Directors' Report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the Board



Chairman
Daniel Levy
9 November 2009



Finance Director
Matthew Collecott
9 November 2009

REMUNERATION REPORT

Introduction

This report has been prepared in accordance with the Companies Act 2006.

As required by the Act, a resolution to approve the report will be proposed at the Annual General Meeting of the Company at which the financial statements will be approved.

The Act requires the auditors to report to the Group's members on certain parts of the Directors' remuneration report and to state whether in their opinion those parts of the report have been properly prepared in accordance with the Companies Act 2006. The report has therefore been divided into separate sections for audited and unaudited information.

Unaudited information

Policy on the remuneration and incentivisation of employees

In order to ensure that the Group attracts, retains and motivates Executives, the policy of the Board is to ensure that the remuneration of the Directors and senior management reflects their duties, experiences and responsibilities.

All Executive Directors have contracts with an indefinite term providing for a maximum of one year's notice. The service contracts of all Executive Directors provide for one year's compensation on termination.

All Non-Executive Directors have specific terms of engagement and their remuneration is determined by the Board within the limits set by the Articles of Association and based on independent surveys of fees paid to Non-Executive Directors of similar companies. Non-Executive Directors cannot participate in any of the Company's share option schemes.

Remuneration package

There are five main elements of the remuneration package for Executive Directors and senior management:

- 1 basic annual salary (including Directors' fees) and benefits;
- 2 annual bonus payments;
- 3 share option incentives;
- 4 pension arrangements; and
- 5 performance-based loyalty scheme.

Basic annual salary and benefits

Executive Directors, with the exception of the Chairman, are paid a basic salary, which is reviewed annually by the Remuneration Committee. The basic salary reflects the Executive's experience and job responsibilities. The Remuneration Committee also takes into account information from independent sources on the rates of salary for similar jobs in a selected group of comparable companies. The fees for the Chairman of the Group, D P Levy, are payable to ENIC Group. This fee is reviewed annually by the Remuneration Committee. In addition to a basic salary, the Executive Directors are entitled to be provided with certain benefits-in-kind, principally the provision of private healthcare and a fully expensed company car.

Annual bonus payments

Bonuses, where paid, are defined by the Company's Executive Incentive Scheme, which predefines specific key performance indicators against which the Remuneration Committee evaluate the Executive's performance in light of business risk and economic climate.

Share option incentives

An Executive Share Option Scheme exists for both Executive Directors and employees. At the current time the Group has chosen not to remunerate its employees and Directors with share options. No share options have been issued to employees and Directors since 4 April 1999. This policy will continue to be reviewed each financial year. Options granted previously were made on a discretionary basis by the Board.

Pension arrangements

The Company does not operate its own pension scheme but a stakeholder pension scheme is available to all employees. During the year the Company made payments to an external scheme on behalf of M J Collecott. The only element of remuneration which is pensionable is the basic annual salary.

REMUNERATION REPORT (continued)

Performance-based loyalty scheme

Aggregate emoluments of Directors disclosed below do not include any amounts in respect of the senior executives' loyalty bonus scheme, a scheme which was awarded in January 2007. During the year Matthew Collecott's award could equate to £150,000 subject to the criteria below being met. This same amount would accrue for each of the next three years and be receivable in tranches as outlined below:

Notes

- Amounts payable in two tranches, the first after three years from the commencement date (the date the executive is informed of his bonus) and the second after five years from the same date;
- The payment of the first tranche is conditional on achieving aggregate earnings before interest, tax, depreciation and amortisation (EBITDA) of £45m or more over the three year ends following the commencement date. EBITDA is calculated pre football trading.
- The payment of the second tranche is conditional on the above conditions being met as well as achieving aggregate EBITDA of £30m per annum in the third and fourth years after commencement.
- Executive Directors are only entitled to receive their entitlement provided they remain in employment at the date they are entitled to receive their first and second tranches.

Audited information

Directors' remuneration

The aggregate emoluments of the Directors of the Company for the year were £927,999 (2008: £1,393,672). Contributions to pension schemes were £23,500 (2008: £22,500) as detailed below.

Details of the remuneration of the Directors individually and in total are shown below:

	Fees £	Salary £	Bonus £	Benefits- in-kind £	Sub total £	Pension £	Year to 30 June 2009 Total £	Year to 30 June 2008 Total £
D P Levy*	675,000	–	–	–	675,000	–	675,000	1,000,000
M J Collecott	–	235,000	–	7,999	242,999	23,500	266,499	406,172
Lord Davies of Abersoch** (resigned 16 January 2009)	5,000	–	–	–	5,000	–	5,000	5,000
Sir K E Mills**	5,000	–	–	–	5,000	–	5,000	5,000
	685,000	235,000	–	7,999	927,999	23,500	951,499	1,416,172

* The fees of the Chairman, Daniel Levy, were paid to ENIC Group.

** Non-Executive Directors.

Approved by the Remuneration Committee.



Sir Keith Mills

Chairman of the Remuneration Committee
9 November 2009

INDEPENDENT AUDITORS' REPORT

for the year ended 30 June 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOTTENHAM HOTSPUR PLC

We have audited the Group financial statements of Tottenham Hotspur plc for the year ended 30 June 2009 which comprise the Group Income Statement, the Group Balance Sheet, the Group Statement of Changes in Equity, the Group Cash Flow Statement and the related notes 1 to 29. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with sections 495 and 496 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 auditors' 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, the Directors are responsible for the preparation of the Group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the Group 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the Group financial statements:

- give a true and fair view of the state of the Group's affairs as at 30 June 2009 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Group financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- 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.

Although not required to do so, the Directors have voluntarily chosen to make a corporate governance statement detailing the extent of their compliance with the June 2008 FRC Combined Code. We reviewed:

- the Directors' statement in relation to going concern; and
- the part of the Corporate Governance Statement relating to the Company's compliance with the nine provisions of the June 2008 Combined Code specified for our review.

Other matter

We have reported separately on the parent company financial statements of Tottenham Hotspur plc for the year ended 30 June 2009 and on the information in the Directors' Remuneration Report that is described as having been audited.



Nigel Mercer

(Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditors

London, United Kingdom

9 November 2009

CONSOLIDATED INCOME STATEMENT

for the year ended 30 June 2009

Continuing operations

	Note	Year ended 30 June 2009			Year ended 30 June 2008 Total (note 3) £'000
		Operations, excluding football trading* £'000	Football trading* £'000	Total £'000	
Revenue	4	113,012	–	113,012	114,788
Operating expenses	5	(94,622)	(38,099)	(132,721)	(124,298)
Operating profit/(loss)		18,390	(38,099)	(19,709)	(9,510)
Profit on disposal of intangible fixed assets	8	–	56,500	56,500	16,362
Profit from operations	6	18,390	18,401	36,791	6,852
Finance income	9			4,563	1,797
Finance costs	9			(7,956)	(5,662)
Profit on ordinary activities before taxation				33,398	2,987
Tax	10			(10,234)	(2,018)
Profit for the period from continuing operations	23			23,164	969
Earnings per share from continuing operations – basic	11			25.0p	1.0p
Earnings per share from continuing operations – diluted	11			12.9p	1.0p

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

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

CONSOLIDATED BALANCE SHEET

as at 30 June 2009

	Note	30 June 2009 £'000	30 June 2008 £'000
Non-current assets			
Property, plant and equipment	12	103,338	74,130
Intangible assets	13	128,432	62,423
		231,770	136,553
Current assets			
Inventories	14	1,172	1,884
Trade and other receivables	15	37,738	41,292
Current tax receivable		1,104	2,182
Cash and cash equivalents	16	19,622	35,283
		59,636	80,641
Total assets		291,406	217,194
Current liabilities			
Trade and other payables	17	(89,579)	(77,496)
Interest bearing loans and borrowings	17	(13,810)	(7,798)
Provisions	17	(1,211)	(5,602)
		(104,600)	(90,896)
Non-current liabilities			
Interest bearing overdrafts and loans	18	(66,504)	(57,187)
Trade and other payables	18	(37,871)	(14,607)
Deferred grant income	18	(2,211)	(2,143)
Deferred tax liabilities	18/19	(18,157)	(9,751)
		(124,743)	(83,688)
Total liabilities		(229,343)	(174,584)
Net assets		62,063	42,610
Equity			
Share capital	21	4,640	4,639
Share premium		11,638	11,637
Equity component of convertible redeemable preference shares ("CRPS")	22	3,805	3,806
Revaluation reserve		2,240	2,288
Capital redemption reserve		595	595
Retained earnings		39,145	19,645
Total equity	23	62,063	42,610

These financial statements were approved by the Board of Directors on 9 November 2009.

Signed on behalf of the Board of Directors



Daniel Levy
Chairman

9 November 2009

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2009

	Share capital account £'000	Share premium account £'000	Equity component of CRPS £'000	Revaluation reserve £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
Balance as at 1 July 2008	4,639	11,637	3,806	2,288	595	19,645	42,610
Profit for the period	–	–	–	–	–	23,164	23,164
Amortisation of revaluation reserve	–	–	–	(48)	–	48	–
CRPS converted in the period	1	1	(1)	–	–	–	1
Final dividend on equity shares relating to year ended 30 June 2008	–	–	–	–	–	(3,712)	(3,712)
At 30 June 2009	4,640	11,638	3,805	2,240	595	39,145	62,063

for the year ended 30 June 2008

	Share capital account £'000	Share premium account £'000	Equity component of CRPS £'000	Revaluation reserve £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
Balance as at 1 July 2007	4,631	11,556	3,838	2,336	565	23,202	46,128
Profit for the period	–	–	–	–	–	969	969
Amortisation of revaluation reserve	–	–	–	(48)	–	48	–
Ordinary 5p shares redeemed during the year	(30)	–	–	–	30	(841)	(841)
CRPS converted in the period	38	81	(32)	–	–	–	87
Final dividend on equity shares relating to the year ended 30 June 2007	–	–	–	–	–	(3,733)	(3,733)
At 30 June 2008	4,639	11,637	3,806	2,288	595	19,645	42,610

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2009

	Year ended 30 June 2009 £'000	Year ended 30 June 2008 £'000
	Note	
Cash flow from operating activities		
Profit from operations	36,791	6,852
Adjustments for:		
Amortisation and impairment of intangible assets	37,288	35,057
Profit on disposal of intangible assets	(56,500)	(16,362)
(Profit)/loss on disposal of property, plant and equipment	(3)	14
Depreciation of property, plant and equipment	2,842	2,877
Capital grants release	66	58
Foreign exchange loss	2,235	1,319
Decrease/(Increase) in trade and other receivables	12,928	(4,225)
Decrease/(Increase) in inventories	712	(668)
(Decrease)/Increase in trade and other payables	(6,415)	10,327
Cash flow from operations	29,944	35,249
Interest paid	(4,342)	(3,164)
Interest received	1,080	1,094
Income tax paid	(750)	(3,610)
Net cash flow from operating activities	25,932	29,569
Cash flows from investing activities		
Acquisitions of property, plant and equipment, net of proceeds	(32,048)	(25,962)
Acquisitions of intangible assets	(68,609)	(27,456)
Proceeds from sale of intangible assets	47,180	16,222
Net cash flow from investing activities	(53,477)	(37,196)
Cash flows from financing activities		
Dividends paid	(3,712)	(3,733)
Redemption of ordinary shares	–	(841)
Proceeds from borrowings	19,612	20,916
Debt issue costs	–	(275)
Repayments of borrowings	(4,016)	(1,440)
Net cash flow from financing activities	11,884	14,627
Net (decrease)/increase in cash and cash equivalents	(15,661)	7,000
Cash and cash equivalents at start of the period	35,283	28,283
Cash and cash equivalents at end of year	16 19,622	35,283

NOTES TO THE CONSOLIDATED ACCOUNTS

for the year ended 30 June 2009

1. Accounting policies and critical accounting judgements

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

Tottenham Hotspur plc is a company incorporated in the United Kingdom. The nature of the Group's operations and its principal activities are set out in the Directors' report on page 26.

Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have also been prepared in accordance with IFRS adopted by the European Union and therefore the Group financial statements comply with article 4 of the EU IAS regulation.

Basis of consolidation

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

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

Revenue

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

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

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

Grants receivable

Grants receivable are credited to a deferred credit account and released to the income statement over the estimated useful life of the asset in respect of which they are receivable.

Foreign exchange

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

Player costs and transactions

The costs associated with the acquisition of player and key football management staff registrations are capitalised as intangible fixed assets. Any intangible assets acquired on deferred terms are recorded at the fair value at the date of acquisition. The fair value represents the net present value of the costs of acquiring players and key football management staff registrations. These costs are fully amortised on a straight line basis over their useful economic lives, in equal annual instalments over the period of the respective contracts. Where a contract life is renegotiated the unamortised costs, together with the new costs relating to the contract extension, are amortised over the term of the new contract. Under the conditions of certain transfer agreements, further fees will be payable to the vendors in the event of the players concerned making a certain number of First Team appearances or on the occurrence of certain other specified future events. Liabilities in respect of these additional transfers are accounted for, as provisions, when it becomes probable that the number of appearances will be achieved or the specified future events will occur.

Provision is made for any impairment of the carrying value of the playing squad should the carrying value of the squad as a whole exceed the amount recoverable from the squad as a whole through use or sale, and where the reduction in value is considered permanent.

Where a player is not considered to be part of the playing squad a provision for impairment would be made if the individual player's carrying value exceeds the amount recoverable through use or sale and where the reduction in value is considered permanent.

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

1. Accounting policies and critical accounting judgements (continued)

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

Signing on fees are charged evenly, as part of operating expenses, to the income statement over the period of the player's contract. These fees are paid over the period of the player's contract. Loyalty fees are accrued, as part of operating expenses, to the income statement for the period to which they relate.

Finance costs

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

In accordance with IAS39 'Financial Instruments: recognition and measurement', any non-current assets acquired on deferred terms are recorded at the discounted present value at the date of acquisition. The associated payable is then increased to the settlement value over the period of deferral, with this value being charged as a notional finance cost through the income statement.

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

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

Tax

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

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

Deferred tax is the tax expected to be payable on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax is charged or credited in the income statement.

Property, plant and equipment

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

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

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

Inventories

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

Debt

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

NOTES TO THE CONSOLIDATED ACCOUNTS (continued)

1. Accounting policies and critical accounting judgements (continued)

Convertible redeemable preference shares

CRPS are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the CRPS and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in equity.

Issue costs are apportioned between the liability and equity components of the CRPS based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the liability component.

Leases

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

Pension costs

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

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

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

Adoption of new and revised standards

No new standards have been adopted in the year.

Standard adopted by the EU but not yet effective

The following IFRS was available for early adoption but has not yet been applied by the Group or Company in these financial statements: IFRS 8 'Operating Segments' for years commencing on or after 1 January 2009.

The application of IFRS 8 in the year ended 30 June 2009 would not have affected the balance sheet or income statement as the standard is concerned only with disclosure. Other pronouncements issued but not yet affected will not have a material impact on the financial statements when adopted.

Critical accounting judgements and estimates

In the application of the Group's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Contingent liabilities

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

Recoverable amount of non-current assets

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

1. Accounting policies and critical accounting judgements (continued)

Current taxation

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

Property plant and equipment

The assets classified under in the course of construction relate to the Group's two main ongoing capital projects: the proposed Northumberland Development Project and the development of the new Training Centre. IAS 16 requires that for an asset to be capitalised it must result in a probable economic benefit. In order for the Northumberland Development Project to generate a probable economic benefit the Directors have had to assess the likelihood of the Development being granted planning permission, obtaining financing and generating sufficient demand to fill an enlarged stadium. The Development is in its early stages and although the Group has not yet obtained planning permission or financing the Directors are confident they will do so in the future. The Directors have produced detailed cash flow projections and have performed sensitivity analysis on these and are confident that the Development will proceed. The Development will be closely monitored and any amounts capitalised, which would not be recoverable in the event that the Development does not proceed such as professional fees and properties whose market value is below cost, would need to be written off at that time. Work started in September 2009 on the new Training Centre, the Directors believe that the development will reach completion over the next 3 years.

2. Segmental analysis

It should be noted that the Group's primary area of activity is participation in national and international football competitions, therefore the economic and asset components of the balance sheet can be attributed essentially to this type of activity. The Group's secondary segment is property development for the purpose of a new stadium.

Class of Business	Football 2009 £'000	Football 2008 £'000	Property 2009 £'000	Property 2008 £'000	Group 2009 £'000	Group 2008 £'000
Revenue	112,242	114,612	770	176	113,012	114,788
Segment operating profit/(loss)	18,631	27,975	(241)	(514)	18,390	27,461
Player trading operating costs	(38,099)	(36,971)	–	–	(38,099)	(36,971)
Profit on disposal of player registrations	56,500	16,362	–	–	56,500	16,362
Net finance charges	(2,810)	(3,305)	(583)	(560)	(3,393)	(3,865)
Profit/(loss) before taxation	34,222	4,061	(824)	(1,074)	33,398	2,987
Non-current asset additions	120,643	36,701	30,745	23,022	151,388	59,723
Total assets	230,927	181,149	60,479	36,045	291,406	217,194
Total liabilities	(166,248)	(136,873)	(63,095)	(37,711)	(229,343)	(174,584)
Segment net assets/(liabilities)	64,679	44,276	(2,616)	(1,666)	62,063	42,610

The vast majority of the Group's operations are conducted in the United Kingdom.

3. Analysis of comparative income statement

2008	Operations, excluding football trading £'000	Football trading £'000	Total £'000
Revenue	114,788	–	114,788
Operating expenses	(87,327)	(36,971)	(124,298)
Operating profit/(loss)	27,461	(36,971)	(9,510)
Profit on disposal of intangible assets	–	16,362	16,362
Profit/(loss) from operations	27,461	(20,609)	6,852

NOTES TO THE CONSOLIDATED ACCOUNTS (continued)

4. Revenue

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

	2009 £'000	2008 £'000
Revenue comprises:		
Gate receipts – Premier League	19,792	18,274
Gate receipts – Cup competitions	8,065	10,341
Sponsorship and corporate hospitality	27,363	27,778
Media and broadcasting	44,811	40,329
Merchandising	6,960	9,723
Other	6,021	8,343
	113,012	114,788

All revenue except for £770,000 (2008: £176,000) derives from the Group's principal activity in the United Kingdom and is shown exclusive of VAT.

In addition to the amounts shown, the Group recognised finance income of £4,563,000 in 2009 and £1,797,000 in 2008 as set out in note 9. Consequently total revenue is £117,575,000 (2008: £116,585,000).

5. Operating expenses

	2009 £'000	2008 £'000
Staff costs	60,468	52,921
Depreciation of property, plant and equipment	2,842	2,877
Other operating costs	31,312	31,529
Operating expenses excluding football trading	94,622	87,327
Amortisation, impairments and other net football trading income and expenditure	38,099	36,971
Total operating expenses	132,721	124,298

6. Profit from operations

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

	2009 £'000	2008 £'000
Depreciation of property, plant and equipment:		
– owned	2,842	2,877
Amortisation and impairment of intangible fixed assets	37,288	37,268
Amortisation of grants	(66)	(58)
Restructuring	2,822	4,663
Charitable donations	27	50
Operating lease rentals:		
– land and buildings	289	145
– other	153	174

The analysis of auditors' remuneration is as follows:

	2009 £'000	2008 £'000
Fees payable to the Company's auditors for statutory services:		
– audit of the Company's accounts	20	20
– audit of the accounts of the Company's subsidiaries	65	65
Total audit fees	85	85
Other services:		
– tax services	130	135
– other services pursuant to legislation	22	22
– other services	46	21
Total non-audit fees	198	178
Total fees	283	263

6. Profit from operations (continued)

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

Tax services relate mainly to assessing the tax implications of significant corporate transactions. Other services relate primarily to providing advice on accounting matters.

7. Staff numbers and costs

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

	2009 Number	2008 Number
Players and football administration staff	148	144
Administration staff	92	90
Retail and distribution staff	46	40
	286	274

The aggregate payroll costs of these employees was as follows:

	£'000	£'000
Salaries and bonuses	53,577	47,432
Social security costs	6,496	5,405
Other pension costs	395	84
	60,468	52,921

In addition the Group employs on average 577 temporary staff on match days (2008: 570).

In addition to the above payroll costs, redundancy costs of £2,098,935 (2008: £360,347) were also charged to the income statement during the year.

8. Profit on disposal of intangible fixed assets

	2009 £'000	2008 £'000
Proceeds	72,539	22,618
Net book value of disposals	(16,039)	(6,256)
	56,500	16,362

9. Financial income and costs

	2009 £'000	2008 £'000
Interest income	1,080	1,094
Notional interest income on deferred receipts for players' registrations	3,483	703
	4,563	1,797
	2009 £'000	2008 £'000
Interest expense	(3,272)	(2,961)
Notional interest expense on deferred payments for players' registrations	(4,036)	(1,633)
Amortisation of debt issue costs	(90)	(75)
Interest charge on CRPS liability	(558)	(993)
	(7,956)	(5,662)

NOTES TO THE CONSOLIDATED ACCOUNTS (continued)

10. Tax charge on ordinary activities

	2009 £'000	2008 £'000
Current tax		
UK corporation tax charge on profits for the year	1,888	336
Rollover relief in respect of players disposed of and purchased in prior years	–	(4,880)
Other prior year adjustments	(60)	226
Current tax charge/(credit)	1,828	(4,318)
Deferred tax		
Origination and reversal of timing differences	(390)	(493)
Rollover relief deferred in respect of players disposed of and purchased in prior years	–	4,794
Rollover relief deferred in respect of players disposed of and purchased in current year	8,796	2,067
Other prior year adjustments	–	(32)
Deferred tax charge	8,406	6,336
Total tax charge on ordinary activities	10,234	2,018

Reconciliation of total tax charge

	2009 £'000	2008 £'000
Profit on ordinary activities before taxation	33,398	2,987
Tax on profit on ordinary activities before taxation at the UK statutory rate of 28% (2008: 30%/28%)	9,351	881
Expenses not deductible	367	764
Depreciation for which no tax relief is available	591	335
Net impact of rollover relief in respect of players disposed of and purchased in prior years	–	(86)
Difference in tax rates	–	(88)
Other prior year adjustments	(60)	212
Utilisation of tax losses	(15)	–
Total tax charge on ordinary activities	10,234	2,018

Other than the provision for deferred tax (see note 19), and the items referred to above there are no items which would materially affect future tax charges.

11. Earnings per share

Earnings per share has been calculated using the weighted average number of shares in issue in each year.

	2009 £'000	2008 £'000
Earnings for the purpose of basic earnings per share being net profit attributable to equity holders of the Company	23,164	969
Accretion of CRPS liability	558	993
Earnings for the purpose of diluted earnings per share	23,722	1,962
	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	92,793,219	93,032,204
Convertible redeemable preference shares	91,063,038	91,075,534
	183,856,257	184,107,738
Basic earnings per share	25.0p	1.0p
Diluted earnings per share	12.9p	1.0p

There are no ordinary share options outstanding at the year end (2008: nil). On conversion of the CRPS the fully diluted share capital at year end would be 183,862,111 shares (2008: 183,862,111 shares).

12. Property, plant and equipment

Group	Land and buildings Freehold £'000	Land and buildings Short leasehold £'000	Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Total £'000
Cost or valuation						
At 1 July 2008	52,528	1	165	19,010	24,894	96,598
Additions	4,766	–	48	1,259	25,979	32,052
Disposals	(372)	–	(14)	–	–	(386)
Transfer to Assets Under Construction	(1,288)	–	–	561	9	(718)
At 30 June 2009	55,634	1	199	20,830	50,882	127,546
Depreciation						
At 1 July 2008	8,187	1	73	14,207	–	22,468
Eliminated on disposal	(372)	–	(12)	–	–	(384)
Charged in the year	894	–	37	1,911	–	2,842
Transfer to Assets Under Construction	(718)	–	–	–	–	(718)
At 30 June 2009	7,991	1	98	16,118	–	24,208
Net book value						
At 30 June 2009	47,643	–	101	4,712	50,882	103,338
At 30 June 2008	44,341	–	91	4,803	24,894	74,130

During the year £561,000 of assets were transferred from assets under construction into general plant and equipment.

Group	Land and buildings Freehold £'000	Land and buildings Short leasehold £'000	Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Total £'000
Cost or valuation comprises:						
At cost	13,613	–	199	20,830	50,883	85,525
At 1998 valuation	42,020	1	–	–	–	42,021
At 30 June 2009	55,633	1	199	20,830	50,883	127,546

The Group's property interests were valued at £42,340,000 as at 31 July 1998 by Drivers Jonas who acted as independent valuers. The valuations were prepared in accordance with the Royal Institution of Chartered Surveyors' Appraisal & Valuation Manual. The Stadium was valued on the basis of depreciated replacement cost; existing use value was adopted for other properties occupied for the purpose of the business and other properties were valued on the basis of open market value.

The net book value in the accounts of the properties, prior to the valuation, was £42,261,000. No adjustment to the net book value was made at 31 July 1998 because the difference was immaterial. Since 31 July 1998, none of the valued properties have been disposed of.

All land and building additions since 31 July 1998 are included in the balance sheet at cost.

The revaluation surplus arose from a previous revaluation and is disclosed in the consolidated statement of changes in equity. The revaluation surplus arises in a subsidiary and cannot be distributed to the parent due to legal restrictions in the country of incorporation.

The Directors are not aware of any material change in value to the Group's properties.

Land and Buildings that are currently held for the Northumberland Development Project have been transferred at their Net Book Value into Assets Under Construction. In the event that the proposed Northumberland Development Project does not proceed, £11,199,000 of professional fees capitalised to 30 June 2009 (2008: £4,900,000) would need to be written off.

NOTES TO THE CONSOLIDATED ACCOUNTS (continued)

13. Intangible assets

	£'000
Cost of registrations	
At 1 July 2008	121,078
Additions	119,336
Disposals	(43,292)
At 30 June 2009	197,122
Amortisation and impairment of registrations	
At 1 July 2008	58,655
Charged in year – amortisation and impairment	37,288
Disposals	(27,253)
At 30 June 2009	68,690
Net book value of registrations	
At 30 June 2009	128,432
At 30 June 2008	62,423

Intangible assets relate entirely to the carrying value of the playing squad and are being amortised over the remaining length of the players contracts which are between one and five years.

14. Inventories

	2009 £'000	2008 £'000
Inventories	1,172	1,884

Inventories comprise merchandising goods held for resale.

15. Trade and other receivables

	2009 £'000	2008 £'000
Trade receivables due in less than one year	30,557	22,309
Trade receivables due in more than one year	1,180	6,624
Other receivables	2,338	7,246
Prepayments and accrued income	3,663	5,113
	37,738	41,292

Trade receivables above include £25,049,000 (2008: £15,601,000) in respect of the disposal of players' registrations.

The Directors consider the carrying amount of trade and other receivables approximates their fair value.

Refer to note 20 for disclosures relating to debtors ageing and other credit risk considerations.

16. Cash and cash equivalents

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

	2009 £'000	2008 £'000
Bank balances	19,606	35,267
Petty cash	16	16
Cash and cash equivalents	19,622	35,283

The carrying amount of these assets approximates their fair value.

17. Current liabilities

	2009 £'000	2008 £'000
Bank loans (secured)	7,683	1,700
Other loans (secured)	1,131	1,049
CRPS liability	4,996	5,049
Interest bearing loans and borrowings	13,810	7,798
Trade payables	36,545	20,557
Other tax and social security	6,128	6,605
Other payables	7,531	3,703
Accruals and deferred income	39,375	46,631
Provisions	1,211	5,602
	104,600	90,896

During the year a £5,000,000 short-term revolving loan which forms part of the Groups facility with HSBC Bank was utilised, which is secured against Club assets.

Trade payables above include £32,507,000 in respect of the acquisition of players' registrations (2008: £16,531,000).

Accruals and deferred income include income in respect of season tickets and commercial sponsorships relating to future years. The directors consider that the carrying amount of trade payables approximates their fair value.

18. Non-current liabilities

	2009 £'000	2008 £'000
Bank loans (secured)	31,155	20,403
Other loans (secured)	25,558	26,689
CRPS liability	9,791	10,095
Interest bearing loans and borrowings	66,504	57,187
Trade payables	31,915	12,735
Other payables	3,901	1,872
Accruals and deferred income	2,055	–
Grants (deferred credits)	2,211	2,143
Deferred tax liabilities	18,157	9,751
	124,743	83,688

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

Bank Loans

Bank loans of £1,781,000 are secured by a floating charge over the Group's assets and on certain freehold properties. These loans are being repaid over 23 years, in equal quarterly instalments from September 2004. Interest is charged quarterly on the outstanding amount of the loans, at a rate which tracks the Bank of England base rate. The bank loans are shown in the financial statements net of £25,000 of associated loan arrangement costs which are being amortised over the term of the loans.

There is a £75,000,000 non-recourse bank facility with the Bank of Scotland secured on certain freehold properties. The Group has drawn the £11,250,000 refinance loan to refinance the existing debt of the Group incurred in respect of the acquisition of certain properties, at the balance sheet date £10,125,000 of this loan was outstanding. The remainder of the facility is available to draw upon to acquire further properties. At the balance sheet date a further £24,277,750 had been drawn to facilitate property acquisitions, and £22,166,940 of this loan was outstanding. The bank loans are shown in the financial statements net of £211,000 of associated loan arrangement costs which are being amortised over the term of the loans.

Other Loans

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

NOTES TO THE CONSOLIDATED ACCOUNTS (continued)

18. Non-current liabilities (continued)

The £20,000,000 loan notes plus additional Club funds have been set aside for the First Team and new Training Centre project. These loan notes are repayable in equal instalments over 16 years from September 2007.

The loan notes are secured against the White Hart Lane Stadium, and future gate and corporate hospitality receipts generated at the Stadium. At the balance sheet date £27,047,000 of the loan notes are outstanding. The loan notes are shown in the financial statements net of £358,000 of associated debt issue costs which are being amortised over the term of the loan notes.

CRPS Liability

For details of the CRPS liability see note 22.

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

	2009 £'000	2008 £'000
Bank loans and overdraft		
In one year or less or on demand	7,683	1,700
In more than one year but not more than two years	2,687	1,505
In more than two years but not more than five years	8,097	4,554
In more than five years	20,371	14,344
	38,838	22,103
Other loans		
In one year or less or on demand	1,131	1,049
In more than one year but not more than two years	1,218	1,131
In more than two years but not more than five years	4,249	3,945
In more than five years	20,091	21,613
	26,689	27,738
CRPS liability		
In one year or less or on demand	4,996	5,049
In more than one year but not more than two years	4,887	5,034
In more than two years but not more than five years	4,904	5,061
In more than five years	–	–
	14,787	15,144
Total borrowings		
In one year or less or on demand	13,810	7,798
In more than one year but not more than two years	8,792	7,670
In more than two years but not more than five years	17,250	13,560
In more than five years	40,462	35,957
	80,314	64,985

Interest rate profile

The Group has no financial assets excluding short-term debtors, other than the sterling cash deposits of £19,622,000 (2008: £35,283,000) which are part of the financing arrangements of the Group. The sterling cash deposits comprise of deposits placed on money market at call rates.

Interest rate profile of financial liabilities (all sterling)	Total £'000	Fixed rate borrowings		Weighted average time for which rate is fixed Years	Weighted average interest rate at year end %
		Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000		
2009	80,314	53,625	26,689	14	3.5
2008	64,985	37,247	27,738	15	7.0

The floating rate borrowings are all denominated in sterling and are referenced to London Inter Bank Offer Rate (LIBOR) and The Bank of England Base Rate. The CRPS were included as a fixed rate financial liability at 30 June 2006. The CRPS were redeemable from 31 January 2007 under the terms set out in note 22 at which time they became a floating rate financial liability.

18. Non-current liabilities (continued)**Borrowing facilities**

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

	2009 £'000	2008 £'000
Expiring in one year or less or on demand	25,000	20,000
Expiring in more than one year but not more than two years	–	10,000
Expiring in more than five years	39,472	54,084
Total undrawn committed borrowing facilities	64,472	84,084

This is made up of undrawn bank borrowing facilities of £25,000,000 and the remaining £39,472,000 undrawn facility relating to future property acquisitions (see the note above).

Fair values

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

	2009 Book value £'000	2009 Fair value £'000	2008 Book value £'000	2008 Fair value £'000
Other loans	26,689	17,775	27,738	21,770

Short-term debtors and creditors have been excluded from all disclosures.

Treasury policy

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

19. Provisions for liabilities

	£'000
Contingent transfer fees payable	
At 1 July 2008	2,317
Provided during the year	2,446
Released to income during the year	(332)
Utilised during the year	(3,373)
At 30 June 2009	1,058
Provisions on player contracts	
At 1 July 2008	3,285
Provided during the year	153
Utilised during the year	(3,285)
At 30 June 2009	153
Deferred taxation	
At 1 July 2008	9,751
Charged to the profit and loss account	8,406
At 30 June 2009	18,157
Total	
At 30 June 2009	19,368
At 30 June 2008	15,353

NOTES TO THE CONSOLIDATED ACCOUNTS (continued)

19. Provisions for liabilities (continued)

Deferred taxation has been provided as follows:

	2009 £'000	2008 £'000
Accelerated capital allowances	3,166	3,276
Deferred tax on properties not qualifying for capital allowances	233	233
Intangible fixed assets	14,791	6,257
Other timing differences	(33)	(15)
	18,157	9,751

20. Financial Instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The Directors' consideration of going concern is detailed in the Directors' Report. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 18, cash and cash equivalents and equity attributable to equity holders of the parent comprising issued capital, reserves and retained earnings as disclosed in note 23 and the statement of changes in equity.

Financial risk management objectives and policies

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

The financial assets of the Group are receivables, including cash and cash equivalents, which have a carrying value of £54.3m at the balance sheet date. The financial liabilities of the Group are loans and payables held at amortised cost and total £175.2m.

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

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

- (i) Market risk
- (ii) Credit risk
- (iii) Liquidity risk

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

(i) Market risk

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

Interest rate risk

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

Interest rate sensitivity analysis

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 30 June 2009 would decrease / increase by £246,484 (2008 decrease / increase by £65,999). This is mainly attributable to the Group's exposure to interest rates on its floating rate loans.

Foreign currency management

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

20. Financial Instruments (continued)

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

	Liabilities 2009 €'000	Liabilities 2008 €'000	Assets 2009 €'000	Assets 2008 €'000
Euro	42,398	10,484	875	1,031

Foreign Currency Sensitivity Analysis

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

	Euro Impact 2009 £'000	Euro Impact 2008 £'000
Impact on profit and other equity	6,985	1,014

(ii) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Of the total trade receivable balance of £31.7m, £25.0m relates to amounts receivable from various other football clubs in relation to player trading and £2.0m relates to commercial sponsorship. The maximum credit exposure relates to the total of cash and cash equivalents and trade receivables and is £51.4m.

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

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

The ageing of trade receivables at the reporting date was:

	Gross receivables 2009 £'000	Provision 2009 £'000	Gross receivables 2008 £'000	Provision 2008 £'000
Non Football				
Not past due	3,849	–	8,014	–
Past due 0 – 30 days	2,222	–	3,827	–
Past due 31 – 90 days	453	–	1,149	–
More than 90 days	374	210	343	12
	6,898	210	13,333	12
Football				
Not past due	24,976	–	15,588	–
Past due 0 – 30 days	44	–	–	–
Past due 31 – 90 days	–	–	–	–
More than 90 days	29	–	12	–
	25,049	–	15,600	–
Total				
Not past due	28,825	–	23,602	–
Past due 0 – 30 days	2,266	–	3,827	–
Past due 31 – 90 days	453	–	1,149	–
More than 90 days	403	210	355	12
	31,947	210	28,933	12

NOTES TO THE CONSOLIDATED ACCOUNTS (continued)

20. Financial Instruments (continued)

	2009 £'000	2008 £'000
Movements in the allowance for doubtful debts		
At 1 July 2008	12	66
Provided during the year	203	11
Recovered during the year	(1)	(9)
Utilised during the year	(4)	(56)
At 30 June 2009	210	12

(iii) Liquidity Risk

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

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

The maturity profile of the Group's borrowings is shown on page 50 along with the Group's borrowing facilities as at the balance sheet date.

21. Called-up share capital

	Number	£'000
Authorised:		
At 30 June 2009 – ordinary shares of 5p each	200,000,000	10,000
At 30 June 2009 – CRPS of £78.10 each	60,000	4,686
At 30 June 2008 – ordinary shares of 5p each	200,000,000	10,000
At 30 June 2008 – CRPS of £78.10 each	60,000	4,686
Allotted, called up and fully paid:		
At 30 June 2009 – ordinary shares of 5p each	92,799,073	4,640
At 30 June 2009 – CRPS of £78.10 each	58,299	4,553
At 30 June 2008 – ordinary shares of 5p each	92,786,577	4,639
At 30 June 2008 – CRPS of £78.10 each	58,307	4,554

During the year eight CRPS were converted to ordinary shares at the rate of 1,562 ordinary shares for each CRPS. The equity component of the CRPS at 30 June 2009 is £3,805,000 (2008: £3,806,000). Through the placing of 30 million shares post year end the issued capital at 1 November 2009 was 122,799,073 ordinary shares.

22. Equity component of convertible redeemable preference shares

The CRPS were issued on 23 January 2004 for consideration of £250 per share. The key terms of the CRPS are as follows:

- no dividend shall be payable until 31 October 2007 (in respect of the period from the third anniversary of issue to 30 September 2007) and thereafter will be payable annually on 31 October in respect of each twelve month period to 30 September at a rate of 1% above the HSBC Bank base rate;
- on 31 October 2007 and on each 31 October thereafter (or, if later, 28 days after the posting of the Company's audited consolidated financial statements for the period ended on the prior 30 June), the CRPS will be convertible into ordinary shares at the election of CRPS holders at the rate of 1,562 ordinary shares for each CRPS;
- the Company may serve notice of its wish to redeem all or any of the CRPS at any time, in which event CRPS holders may elect either to convert or redeem their relevant proportion of CRPS set out in the notice;

22. Equity component of convertible redeemable preference shares (continued)

- 4 on and after the date falling three years from the date of issue, CRPS holders will be entitled to elect to redeem their CRPS. Once the Company has received elections in respect of more than 50% in number of the CRPS, but not before, it will redeem all of the CRPS in three equal annual tranches on a pro rata basis;
- 5 all of the CRPS still in issue will be redeemed in three equal annual tranches on a pro rata basis on the seventh, eighth and ninth anniversaries of the date of issue;
- 6 the Company will only be obliged to pay dividends or redeem the CRPS on the dates above to the extent that it has sufficient distributable reserves lawfully to do so, otherwise it may defer payment until it is so able;
- 7 the sum to be paid on redemption of each CRPS shall be the amount paid up on such share (including any premium), together with any arrears and accruals of, and interest on, the dividend payable in respect of such share, calculated to the relevant date of redemption;
- 8 CRPS holders are entitled to one vote on a show of hands or, on a poll, one vote per ordinary share that would have been allotted to that CRPS holder had conversion taken place at that time at the conversion rate then applicable. CRPS holders may only vote on resolutions relating to: the winding up of the Company, a reduction in the capital of the Company or the rights attached to the CRPS, or when the Company has been in default, for a period of more than one month, of its obligations relating to the payment of a dividend or the redemption of the shares; and
- 9 on a return of capital or winding up, CRPS holders have the right to receive, in priority to any other classes of shares, the amount of the paid up sum (including any premium paid) in respect of each CRPS on subscription, plus any arrears of dividend.

23. Reconciliation of movements in Group shareholders' funds

	2009 £'000	2008 £'000
Opening shareholders' funds	42,610	46,128
Profit for the year	23,164	969
Ordinary 5p shares redeemed during the year	–	(841)
Dividend payment	(3,712)	(3,733)
Conversion of CRPS to ordinary shares	1	87
Net addition/(reduction) to shareholders' funds	19,453	(3,518)
Closing shareholders' funds	62,063	42,610

24. Commitments

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

	2009 £'000	2008 £'000
Minimum lease payments:		
Payable within one year	289	287
Payable within two to five years	904	1,047
Payable in more than five years	170	225
	1,363	1,559
Capital commitments were as follows:		
Contracted	144	6,393
Authorised but not contracted	–	149
	144	6,542

Contracted capital commitments relate to agreed property acquisitions.

NOTES TO THE CONSOLIDATED ACCOUNTS (continued)

25. Net debt

	2009 £'000	2008 £'000
Cash and cash equivalents	19,622	35,283
Securitisation blocked funds for First Team and new Training Centre Project	(18,549)	(19,300)
	1,073	15,983
Bank loans	(6,781)	(1,797)
Securitisation non-blocked funds	(8,140)	(8,438)
Bank Loans – property	(32,081)	(20,306)
Net debt *	(45,929)	(14,558)

*In addition, the Group has £14.8m of CRPS (2008: £15.1m).

26. Related-party transactions

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

ENIC Group companies

Amounts totalling £5,042 (2008: £8,999) including VAT were incurred during the year by the Group on behalf of ENIC Group and subsequently reimbursed by ENIC Group during the year. At the balance sheet date £61 (2008: £5,012) was due to the Group from ENIC Group, this has subsequently been paid in full.

Amounts totalling £2,551 (2008: £nil) including VAT were incurred during the year by ENIC Group on behalf of the Group.

During the year, the Group invoiced ENIC Group £nil (2008: £20,000) for Opus books. At the balance sheet date £nil (2008: £nil) was due to the Group from ENIC Group.

During the year, ENIC Group invoiced the Group for £25,458 (2008: £nil). At the balance sheet date £nil (2008: £nil) was due to ENIC Group from the Group.

Other

E M Davies, who resigned as a Non-Executive Director on 16 January 2009, was a Non-Executive Chairman of Standard Chartered PLC. During the year, the Group invoiced Standard Chartered PLC £3,750, (2008: £19,740) including VAT for sponsorship and corporate hospitality services. At the balance sheet date £nil (2008: £nil) was due to the Group from Standard Chartered PLC.

Tottenham Hotspur Foundation was established on 1 November 2006. During the year the Group invoiced the Foundation for expenses paid on their behalf of £147,384 (2007: £410,054). At the balance sheet date £56,307 (2007: £61,419) was due to the Group from Tottenham Hotspur Foundation.

Except for the balances disclosed above, there were no other balances outstanding at the balance sheet date in 2009 or 2008. All of these transactions were at arm's length.

The fees paid to related parties with regard to Directors' emoluments have been disclosed in the Report of the Remuneration Committee on pages 33 and 34.

Key management personnel are deemed to be the Directors. The remuneration of Directors is determined by the Remuneration Committee having regard to the performance of individuals and market trends. Refer to page 34 in the Remuneration Report for details of the Directors remuneration for the year.

27. Pensions

Defined contribution schemes

Certain staff of the Group are members of the Football League Limited Pension and Life Assurance Scheme. Others are members of a self-administered Group money purchase scheme. The assets of these schemes are held separately from those of the Group, being invested with insurance companies. The total pension cost charged during the year amounted to £199,000 (2008: £84,000).

Defined benefit scheme

The Group is advised only of its share of the deficit in the defined benefit section of The Football League Pension and Life Assurance Scheme (the "Scheme"). The most recent actuarial valuation of the Scheme was as at 31 August 2008 and indicated that the contribution required from the Group towards making good this deficit was £290,000 at 1 September 2009. The pension cost charged during the year relating to this deficit was £196,000 (2008: £nil). At the balance sheet date the Group's share of this deficit was £295,000 (2008: £127,000).

28. Contingent liabilities and assets

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

Under the terms of certain contracts for the purchase of players' registrations future payments may be due to third parties, dependent on the success of the team and/or individual players. At the balance sheet date the maximum contingent liability which has not been provided for was £24,188,000 (2008: £7,288,000).

Under the terms of certain contracts for the sale of players' registrations future receipts may be receivable from third parties, dependent on the success of the team and/or individual players. At the balance sheet date the maximum contingent asset was £12,061,000 (2007: £5,290,000), none of which has been recognised.

29. Post balance sheet events

Since the balance sheet date the following events have occurred:

P Crouch was bought from Portsmouth
K Naughton was bought from Sheffield United
K Walker was bought from Sheffield United
S Bassong was bought from Newcastle United
N Kranjcar was bought from Portsmouth
J Walker joined
D Zokora was sold to Sevilla
C Gunter was sold to Nottingham Forest
D Bent was sold to Sunderland
P Chimbonda was sold to Blackburn Rovers
KP Boateng was sold to Portsmouth
Y Berchiche was transferred to Real Valladolid
Gilberto was released

Including Football League levies, the uncontingent net costs of these transactions amounted to approximately £8,640,000.

The contingent liability from these transactions amounts to approximately £4,770,000 and the contingent asset amounts to approximately £10,541,000.

Post year end there was a placing of £15m issuing an additional 30 million ordinary shares. ENIC Group subscribed for 27.8m of these new ordinary shares.

FIVE-YEAR REVIEW

	June 2009 £'000 IFRS	June 2008 £'000 IFRS	June 2007 £'000 IFRS	June 2006 £'000 UKGAAP	June 2005 £'000 UKGAAP
Revenue	113,012	114,788	103,091	74,141	70,550
Profit from operations excluding football trading and before restructuring and depreciation	24,054	35,001	31,959	4,587	14,619
Restructuring and depreciation	(5,664)	(7,540)	(2,231)	(2,226)	(1,807)
Operating profit before football trading	18,390	27,461	29,728	2,361	12,812
Amortisation of registrations and other football related income and expenditure	(38,099)	(36,971)	(18,832)	(11,781)	(12,741)
Profit on disposal of intangible fixed assets	56,500	16,362	18,721	12,299	5,632
Profit before interest and taxation	36,791	6,852	29,617	2,879	5,703
Net interest payable	(3,393)	(3,865)	(1,872)	(2,261)	(793)
Profit on ordinary activities before taxation	33,398	2,987	27,745	618	4,910
Taxation	(10,234)	(2,018)	(8,587)	(2,193)	(707)
Profit/(loss) on ordinary activities after taxation	23,164	969	19,158	(1,575)	4,203
Other finance costs in respect of non-equity shares	–	–	–	–	(99)
Retained profit/(loss)	23,164	969	19,158	(1,575)	4,104
Net assets					
Intangible assets	128,432	62,423	71,061	30,264	31,348
Property plant and equipment	103,338	74,130	51,057	49,762	49,105
Net current liabilities	(44,964)	(10,255)	(12,828)	(20,008)	(17,423)
Total assets less current liabilities	186,806	126,298	109,290	60,018	63,030
Provisions and creditors – amounts falling due after more than one year	(124,743)	(83,688)	(63,162)	(30,062)	(17,217)
Net assets	62,063	42,610	46,128	29,956	45,813
Basic earnings/(loss) per share	25.0p	1.0p	20.6p	(1.7p)	4.2p

The amounts for 2005 and 2006 are stated on the basis of UK GAAP because it is not practicable to restate amounts for periods prior to the date of transition to IFRS.

INDEPENDENT AUDITORS' REPORT

for the year ended 30 June 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOTTENHAM HOTSPUR PLC

We have audited the financial statements of Tottenham Hotspur plc ("the Company") for the year ended 30 June 2009 which comprise the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with sections 495 and 496 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 auditors' 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, 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements.

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 2009 and of its profit 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.

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.



Nigel Mercer

(Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditors

London, United Kingdom

9 November

COMPANY BALANCE SHEET

as at 30 June 2009

	Note	30 June 2009 £'000	30 June 2008 £'000
Fixed assets			
Tangible assets	2	17,689	11,538
Investments	3	2,490	2,490
		20,179	14,028
Current assets			
Stock	4	811	1,507
Debtors	5	102,074	95,686
		102,885	97,193
Creditors: amounts falling due within one year	6	(72,986)	(60,536)
Net current assets		29,899	36,657
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	7	(9,913)	(10,097)
		40,165	40,588
Provisions for liabilities	8	(469)	(329)
Net assets		39,696	40,259
Capital and reserves			
Called-up share capital	9	4,640	4,640
Share premium account	9	11,638	11,637
Equity component of CRPS	9	3,805	3,806
Capital redemption reserve	9	595	595
Profit and loss account	9	19,018	19,581
Shareholders' funds	9	39,696	40,259

The Company balance sheet was approved by the Board of Directors on 9 November 2009.

Signed on behalf of the Board of Directors



Daniel Levy
Chairman

9 November 2009

NOTES TO THE COMPANY ACCOUNTS

1. Accounting policies

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

Basis of accounting

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

Grants receivable

Grants receivable are credited to a deferred credit account and released to the profit and loss account over the estimated useful life of the asset in respect of which they are receivable.

Foreign exchange

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

Tangible fixed assets

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

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

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

Fixed asset investments

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

Stocks

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

Debt

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

Convertible redeemable preference shares

CRPS are regarded as compound instruments, consisting of a liability component and an equity component.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the CRPS and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in equity.

Issue costs are apportioned between the liability and equity components of the CRPS based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the liability component.

Deferred taxation

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

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

NOTES TO THE COMPANY ACCOUNTS (continued)

1. Accounting policies (continued)

Pension costs

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

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

2. Tangible assets

Company	Land and buildings Freehold £'000	Land and buildings Short leasehold £'000	Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Total £'000
Cost						
At 1 July 2008	603	1	167	15,984	8,254	25,009
Additions	–	–	48	709	7,939	8,696
Disposals	–	–	(15)	–	–	(15)
Transfer to assets under construction	(603)	–	–	(1,940)	(931)	(3,474)
At 30 June 2009	–	1	200	14,753	15,262	30,216
Depreciation						
At 1 July 2008	541	1	74	12,855	–	13,471
Eliminated on disposal	–	–	(12)	–	–	(12)
Charged in the year	56	–	37	937	–	1,030
Transfer to assets under construction	(597)	–	–	(1,365)	–	(1,962)
At 30 June 2009	–	1	99	12,427	–	12,527
Net book value						
At 30 June 2009	–	–	101	2,326	15,262	17,689
At 30 June 2008	62	–	93	3,129	8,254	11,538

All assets shown are held at historical cost.

3. Investments held as fixed assets

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

Shares	Cost and net book value £'000
At 1 July 2008 and at 30 June 2009	2,490

3. Investments held as fixed assets (continued)

At 30 June 2009, the Company had the following interests in the subsidiary undertakings noted below, all of which are registered and operate in England and Wales:

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

4. Stock

	2009 £'000	2008 £'000
Stock	811	1,507

Stock comprises merchandising goods held for resale.

5. Debtors

	2009 £'000	2008 £'000
Trade debtors	250	371
Amounts owed by Group undertakings	101,007	94,548
Corporation tax	102	266
Other debtors	322	334
Prepayments and accrued income	393	167
	102,074	95,686

6. Creditors – amounts falling due within one year

	2009 £'000	2008 £'000
Bank overdraft	24,530	26,173
Bank loan	5,000	–
CRPS liability	4,996	5,049
Trade creditors	799	1,701
Corporation tax	3,029	2,199
Other creditors	50	137
Accruals and deferred income	2,550	2,660
Amounts due to Group undertakings	32,032	22,617
	72,986	60,536

NOTES TO THE COMPANY ACCOUNTS (continued)

7. Creditors – amounts falling due after more than one year

	2009 £'000	2008 £'000
CRPS liability	9,791	10,095
Grants (deferred credits)	122	2
	9,913	10,097

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

	2009 £'000	2008 £'000
Bank loan		
In one year or less or on demand	5,000	–
In more than one year but not more than two years	–	–
In more than two years but not more than five years	–	–
	5,000	–
CRPS liability		
In one year or less or on demand	4,996	5,049
In more than one year but not more than two years	4,887	5,034
In more than two years but not more than five years	4,904	5,061
	14,787	15,144
Total borrowings		
In one year or less or on demand	9,996	5,049
In more than one year but not more than two years	4,887	5,034
In more than two years but not more than five years	4,904	5,061
	19,787	15,144

Interest rate profile

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

Borrowing facilities

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

	2009 £'000	2008 £'000
Expiring in one year or less or on demand	25,000	20,000
Expiring in more than one year but not more than two years	–	10,000

Fair values

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

8. Provisions for liabilities

	£'000
Deferred taxation	
At 1 July 2008	329
Charge to the profit and loss account	140
At 30 June 2009	469
At 30 June 2008	329

Deferred taxation has been provided as follows:

	2009 £'000	2008 £'000
Accelerated capital allowances	469	329

9. Reserves

for the year ended 30 June 2009

	Share capital account £'000	Share premium account £'000	Equity component of CRPS £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
Balance as at 1 July 2008	4,640	11,637	3,806	595	19,581	40,259
Profit for the period	–	–	–	–	3,148	3,148
CRPS converted in the period	1	1	(1)	–	–	1
Final Dividend on equity shares relating to year ended 30 June 2008	–	–	–	–	(3,712)	(3,712)
At 30 June 2009	4,640	11,638	3,805	595	19,018	39,696

The retained profit for the year, dealt with in the financial statements of the parent company, was £3,148,000 (2008: £3,345,000). As permitted by the Companies Act 2006, no separate profit and loss account is presented. The audit fee of £3,000 (2008: £3,000) is borne by another Group company in the current year and prior year. No fees were paid to the Company's auditors or affiliated entities, relating to other services during the year. Refer to the Group financial statements for full disclosure of fees payable to auditors.

10. Reconciliation of movements in the Company shareholders' funds

	2009 £'000	2008 £'000
Opening shareholders' funds	40,259	41,400
Profit for the year	3,148	3,345
Ordinary 5p shares redeemed during the year	–	(841)
Dividend payment	(3,712)	(3,733)
Conversion of CRPS to ordinary shares	1	88
Net (reduction) to shareholders' funds	(563)	(1,141)
Closing shareholders' funds	39,696	40,259

11. Commitments

The annual commitments under non-cancellable operating leases are:

	2009 £'000	2008 £'000
Land and buildings:		
Leases expiring within one year	289	25
Leases expiring within two to five years	904	–
Leases expiring in more than five years	170	412
	1,363	437
Capital commitments were as follows:		
Contracted	–	274
Authorised but not contracted	–	149
	–	423

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Tottenham Hotspur plc will be held at Bill Nicholson Way, 748 High Road, Tottenham, London N17 0AP at 2.00pm on 10 December 2009 to transact the following business.

As ordinary business:

1. To receive the report of the Directors and the audited accounts of the Company for the year ended 30 June 2009, together with the report of the auditors on the same.
2. To approve the report of the Remuneration Committee for the year ended 30 June 2009.
3. To re-appoint Deloitte LLP as auditors of the Company until the conclusion of the next general meeting at which accounts are laid before the Company and to authorise the directors to determine their remuneration.
4. To reappoint D P Levy as a director who is retiring by rotation in accordance with the Company's articles of association.

As special business:

To consider and, if thought fit, pass resolution 5 below as an ordinary resolution and resolutions 6, 7, 8 and 9 below as special resolutions.

Ordinary resolutions

5. THAT the directors be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "2006 Act"), to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £3,860,046.35 provided that this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on the date falling 15 months from the date on which this resolution is passed, whichever is the earlier, and provided further that the Company may before such expiry make an offer or enter into an agreement during the relevant period which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry and the directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority conferred hereby had not expired. This authority shall replace all existing authorities granted to the directors for the purposes of section 80 of the Companies Act 1985 which are hereby revoked with immediate effect.

Special resolutions

6. THAT, subject to the passing of resolution 5 above, the directors be and are hereby empowered to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash pursuant to the general authority conferred on the directors by resolution 5 as though the restriction in section 561(1) of the 2006 Act did not apply to any such allotment, up to an aggregate nominal amount of £3,860,046.35 being 63% of the nominal value of the existing issued share capital of the Company as at 1 November 2009, provided that this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on the date falling 15 months from the date on which this resolution is passed, whichever is the earlier, save that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities pursuant to such offer or agreement as if the power conferred hereby had not expired.
7. THAT the Company be and it is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the 2006 Act) of ordinary shares of 5p each in the capital of the Company ("ordinary shares") provided that:
 - a. the maximum number of ordinary shares hereby authorised to be purchased is 18,407,581 (representing 14.99% of the issued ordinary share capital of the Company);
 - b. the minimum price (exclusive of expenses) which may be paid for each ordinary share is 5p (nominal value);
 - c. the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to 105% of the average of the middle market quotations for an ordinary share as derived from the AIM Appendix to the Daily Official List of The London Stock Exchange for the five business days immediately preceding the day on which the ordinary shares are contracted to be purchased;
 - d. the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company or on the date falling 15 months from the date on which this resolution is passed, whichever is earlier, unless such authority is renewed prior to such time; and
 - e. the Company may enter into a contract or contracts to purchase its ordinary shares under the authority hereby conferred prior to the expiry of such authority, which will or may be executed wholly or partly after the expiry of such authority, and may purchase its ordinary shares in pursuance of any such contract or contracts.

8. THAT the Company be and it is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the 2006 Act) of convertible redeemable preference shares of £78.10 each in the capital of the Company ("preference shares") provided that:
- a. the maximum number of preference shares hereby authorised to be purchased is 8,739 (representing 14.99% of the issued preference share capital of the Company);
 - b. the minimum price (exclusive of expenses) which may be paid for each preference share is £78.10 (nominal value);
 - c. the maximum price (exclusive of expenses) which may be paid for each preference share is an amount equal to 105% of the average of the middle market quotations for a preference share as derived from the AIM Appendix to the Daily Official List of The London Stock Exchange for the five business days immediately preceding the day on which the preference shares are contracted to be purchased;
 - d. the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company or on the date falling 15 months from the date on which this resolution is passed, whichever is earlier, unless such authority is renewed prior to such time; and
 - e. the Company may enter into a contract or contracts to purchase its preference shares under the authority hereby conferred prior to the expiry of such authority, which will or may be executed wholly or partly after the expiry of such authority, and may purchase its preference shares in pursuance of any such contract or contracts.
- 9 THAT:
- a. the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the 2006 Act, are to be treated as provisions of the Company's articles of association; and
 - b. the amended form of the articles of association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

By Order of the Board



Matthew Collecott
Company Secretary

Registered Office:
Bill Nicholson Way
748 High Road
Tottenham
London N17 0AP

Registered in England and Wales
with company number 1706358

9 November 2009

NOTICE OF ANNUAL GENERAL MEETING (continued)

Explanatory notes on resolutions 5, 6, 7, 8, and 9

Resolution 5 – Authority to Allot Shares

Resolution 5, an ordinary resolution, as set out in the Notice of Annual General Meeting, will be proposed which seeks to renew for a further year the directors' general authority to allot shares given at last year's annual general meeting and, further to the recent implementation of section 549 of the 2006 Act, to grant rights to subscribe for or to convert any security into shares in the Company. If passed, this new authority would give the directors the authority to allot shares and to grant rights to subscribe for or to convert any security into shares in the Company with an aggregate nominal value of up to £3,860,046.35 comprising 77,200,927 ordinary shares of 5 pence (representing approximately 63% of the current issued ordinary share capital of the Company). Your directors believe that the authority which this resolution would give them to allot ordinary shares without further recourse to shareholders in a general meeting would be in the best interests of the Company and its shareholders as a whole. The directors have no present intention of issuing any part of the authorised but unissued ordinary share capital of the Company. This authority will expire at the conclusion of the next annual general meeting or, if earlier, 15 months from the date of the passing of the resolution.

Resolution 6 – Disapplication of Pre-emption Rights

A special resolution, resolution 6, as set out in the Notice of Annual General Meeting, will be proposed and seeks to renew an authority granted at last year's annual general meeting but in a form updated to reflect the recently implemented relevant provisions of the 2006 Act. It gives the directors authority to allot ordinary shares for cash without first offering them to existing shareholders in proportion to their existing shareholdings. If this resolution is passed, your directors will be authorised to issue up to 77,200,927 ordinary shares (representing approximately 63% of the current issued ordinary share capital of the Company) without being obliged to offer existing shareholders the opportunity to subscribe for all or some of those ordinary shares. In particular, your directors will have discretion to allot and issue those ordinary shares to such persons (who may include some but not all of the Company's existing shareholders) and at such prices and on such other terms as the directors in their absolute discretion may determine. Your directors believe that the Company needs to be in a position to issue ordinary shares for cash on such terms as your directors may from time to time believe to be in the best interests of the Company without being required to seek consent for such an issue from the Company's shareholders in general meeting. Accordingly, your directors believe the flexibility which this resolution would grant them to be in the best interests of the Company and its shareholders as a whole. This authority will expire at the conclusion of the next annual general meeting or, if earlier, 15 months from the date of the passing of the resolution.

Resolutions 7 and 8 – Purchase of Own Shares by the Company

This resolution seeks to renew the authority of the Company to purchase its own ordinary shares and preference shares because the directors believe it is in the best interests of the Company to retain the flexibility to return cash to shareholders. It is important to note that the directors have no immediate intention of exercising this authority and would only do so after considering the effect of doing so on net assets and/or earnings per ordinary share and the interests of shareholders generally. In addition, the directors will only exercise this authority if at the time such exercise is contemplated they are satisfied that the Company has sufficient cash resources and distributable reserves.

Resolution 7 seeks authority for the Company to purchase up to 18,407,581 ordinary shares in the market representing 14.99% of the current outstanding issued ordinary share capital of the Company. The Company will pay not more than 105% of the average middle market price of an ordinary share for the five days preceding any purchase (exclusive of expenses) and not less than 5p per ordinary share (the nominal value of each ordinary share) for purchases of ordinary shares pursuant to the authority.

Resolution 8 seeks authority for the Company to purchase up to 8,739 preference shares in the market representing 14.99% of the current outstanding issued preference share capital of the Company. The Company will pay not more than 105% of the average middle market price of a preference share for the five days preceding any purchase (exclusive of expenses) and not less than £78.10 per preference share (the nominal value of each preference share) for purchases of preference shares pursuant to the authority. Any shares purchased pursuant to these authorities will be cancelled and the number of ordinary shares or preference shares (as the case may be) in issue will be reduced accordingly. These authorities will expire at the conclusion of the next annual general meeting of the Company or, if earlier, 15 months from the date of the passing of the relevant resolution.

Resolution 9 – Amendments to the Articles of Association

It is proposed in resolution 9 to adopt new articles of association (the "New Articles") with immediate effect at this year's AGM in order to update the Company's current articles of association (the "Current Articles") primarily to take account of the coming into force of the Companies (Shareholders' Rights) Regulations 2009 (the "Shareholders' Rights Regulations") and the implementation of the final parts of the 2006 Act.

The principal changes introduced in the New Articles are summarised in the Appendix of this Notice entitled "Explanatory Notes of Principal Changes to the Company's Articles of Association". Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the 2006 Act have not been noted. The New Articles showing all the changes to the Current Articles are available for inspection, as noted on page 70 of this document.

Information for shareholders

How to vote

Only those shareholders on the Company's Register of Members 48 hours before the time of the Annual General Meeting or any adjourned meeting are entitled to attend, speak and vote at the Annual General Meeting. A shareholder shall be entitled to cast votes in respect of such shares as is registered in his or her name at this time. Changes to entries on the register after this time shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.

Appointment of a proxy

Any such shareholder is entitled to appoint a proxy to attend the Annual General Meeting instead of him or her. The proxy shall have the same rights to attend, speak and vote at the Annual General Meeting as the shareholder. A proxy need not be a shareholder of the Company.

A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided each proxy is appointed to exercise rights attached to a different share or shares held by that shareholder. You may not appoint more than one proxy to exercise rights attached to any one share.

A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Annual General Meeting.

A proxy voting form for the Annual General Meeting is enclosed with the Annual Report and Accounts. To be valid, a duly completed proxy voting form must reach Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time of the Annual General Meeting or any adjourned meeting.

Shareholders who return completed proxy voting forms or any CREST Proxy Instruction as noted below may still attend the Annual General Meeting and vote in person if they wish.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournments of the Annual General Meeting by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in the Notice of Annual General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

NOTICE OF ANNUAL GENERAL MEETING (continued)

Documents

The following documents may be inspected during business hours at the offices of the Company's solicitors Olswang, 90 High Holborn, London WC1V 6XX (weekends and public holidays excluded) from the date of this Notice until the close of the Meeting and will also be available for inspection at the place of the Annual General Meeting from 11.00am on the day of the Annual General Meeting until the conclusion of the Annual General Meeting:

- (i) copies of the executive directors' service agreements;
- (ii) copies of the non executive directors' letters of appointment; and
- (iii) a copy of the articles of association of the Company marked to show the changes which will be made on the passing of resolution 9.

Who may attend?

Only shareholders on the Company's Register of Members 48 hours before the time of the Annual General Meeting or any adjourned meeting are entitled to attend, or to appoint proxies or corporate representatives to attend the Annual General Meeting. No-one else will be admitted. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

Please bring to the Annual General Meeting the attendance card attached to your Form of Proxy. You will be asked to show it at the entrance and not bringing it with you could delay your admission. Shareholders may also be required to provide proof of identity. If you have been appointed as a proxy, please make this fact known to the admission staff who will direct you to the appropriate desk.

Security

There will be security checks at the entrance to the venue. To speed admission, it would be helpful if you did not bring briefcases or large bags. Cameras, mobile phones, lap top computers or tape recorders will not be allowed into the Annual General Meeting.

Asking questions at the Annual General Meeting

During the Annual General Meeting, the chairman will give shareholders, corporate representatives and proxies the opportunity to ask questions on the resolutions proposed at the Annual General Meeting and which are set out in the Notice of Annual General Meeting.

About the Annual General Meeting

At the Annual General Meeting, you will be asked to vote on the resolutions which are set out in the Notice of Annual General Meeting and therefore it would be helpful if you were to bring the Annual Report and Accounts to the Annual General Meeting.

Smoking

Smoking will not be permitted in the auditorium.

APPENDIX

EXPLANATORY NOTES OF PRINCIPAL CHANGES TO THE COMPANY'S ARTICLES OF ASSOCIATION

The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The Companies Act 2006 significantly reduces the constitutional significance of a company's memorandum. The Companies Act 2006 provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Companies Act 2006 the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in the company's articles of association but the company can remove these provisions by special resolution.

Further the Companies Act 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the Companies Act 2006, are treated as forming part of the Company's articles of association as at 1 October 2009. Resolution 9(a) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

Authorised share capital and unissued shares

The Companies Act 2006 abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the Companies Act 2006, save in respect of employee share schemes.

Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital

Under the Companies Act 1985, a company required specific enabling provisions in its articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The Current Articles includes these enabling provisions. Under the Companies Act 2006 a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly the relevant enabling provisions have been removed in the New Articles.

Use of seals

Under the Companies Act 1985, a company required authority in its articles to have an official seal for use abroad. Under the Companies Act 2006, such authority will no longer be required. Accordingly, the relevant authorisation has been removed in the New Articles.

Suspension of registration of share transfers

The Current Articles permit the directors to suspend the registration of transfers. Under the Companies Act 2006 share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

Voting by proxies on a show of hands

The Shareholders' Rights Regulations have amended the Companies Act 2006 so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The Current Articles have been amended to reflect these changes.

Voting by corporate representatives

The Shareholders' Rights Regulations have amended the Companies Act 2006 in order to enable multiple representatives appointed by the same corporate member to vote in different ways on a show of hands and a poll. The New Articles remove provisions in the Current Articles dealing with voting by corporate representatives on the basis that these are dealt with in the Companies Act 2006.

DIRECTORS, OFFICERS AND ADVISERS

Executive Chairman

D P Levy

Executive Director

M J Collecott

Non Executive Directors

Sir K E Mills*

Company Secretary

M J Collecott

Registered office

Bill Nicholson Way
748 High Road
Tottenham
London N17 0AP

Registered number

1706358

Auditors

Deloitte LLP

Chartered Accountants
2 New Street Square
London EC4A 3BZ

Bankers

HSBC Bank plc

70 Pall Mall
London SW1Y 5EZ

AIM nominated broker and adviser

Seymour Pierce Limited

20 Old Bailey
London EC4M 7EN

Registrars

Capita Registrars

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Woodsome Park
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West Yorkshire HD8 0LA

* Chairman of the Audit and Remuneration Committees

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