

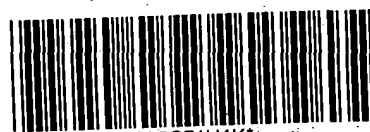
**RFL (Governing Body) Limited (a company limited  
by guarantee)**

**Annual report and financial statements**

**Registered number 05835638**

**31 December 2015**

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## Strategic Report

### Principal activities

The principal activity of RFL (Governing Body) Limited (“the RFL” or “the League”) throughout the year was the promotion of the game of Rugby Football League. The League organises and promotes competitions to maximise returns to members. The League is also the governing body for the game of Rugby Football League in Great Britain and Ireland

### Business Model

Day to day management of the RFL is delegated to the management team under the leadership of the Chief Executive Officer. The Board of Directors receive written reports from members of the senior management team at each Board meeting and may also request updates or attendance at Board meetings from an individual departmental manager if there are significant issues to discuss in a particular area.

Management of the business is organised through five key areas; Commercial, Marketing, Media, Visibility and Profile; Compliance, Operations & Regulatory; Performance, England Management; Participation and Development; together with the fifth, Central Services, which provides support to all areas.

The strategic plans provide a road map for Rugby League over the next few years. These plans cover distinct areas of activity: the full time Super League competition, the mainly semi-professional Championship and League One competition, the Community Game and the International game. Over the next few years performance against these strategic plans will be closely monitored by the Board.

The Super League clubs are also members of Super League (Europe) Ltd which acts as an agency for the distribution of shared revenues earned by the Super League from broadcasting, commercial partnerships and the staging of events. The Chairman and Chief Executive of the RFL are Chairman and Chief Executive of SLE Ltd and the RFL is a non-participating shareholder in the company with key rights over specific issues.

The Championship and League One clubs meet three times a year to discuss matters of common interest. Two of these meetings are a collective of all 26 clubs whilst the third separates Championship and League One in a separate forum.

The RFL also has a Community Board which comprises representatives from various sections of the Community Game including youth and adult participation, schools, universities, and armed services. This Board meet four times a year to discuss matters of pertinence to the Community Game.

### Business review and results

The consolidated accounts for RFL (Governing Body) Ltd show a profit for the financial year of £139k for the year ended 31 December 2015 (2014: £219k). RFL (Governing Body) Ltd has maintained an aggregate positive cash and short term deposit balance throughout the year. At 31 December 2015 this aggregate balance was £10,403k (2014: £7,773k). Therefore at the time of approval of the Financial Statements, the directors are satisfied regarding the funding of RFL (Governing Body) Ltd for the foreseeable future. Future expectations for the financial position of the League are positive, and the Board of Directors expect to build on the results of the last six years by increasing the Net Assets of the Group and extending support to all sections of the game.

The operating and financial review set out on pages 5 to 7 includes a balanced and comprehensive review of the business.

### Key performance indicators

The Board monitors Executive performance by reference to key performance indicators. The three principle Key Financial Performance Indicators of the company are Turnover, Amounts Payable to clubs and Operating Profit, all of which are reviewed regularly by the directors. Of these, the RFL’s policy of distributing profits into the game means that turnover and amounts payable to clubs are the two primary measures. These KPIs have been chosen as they allow the directors to closely monitor the performance of the RFL.

## Strategic Report (continued)

KPI	2015 £000	2014 £000
Turnover	25,274	19,222
Amounts payable to clubs	10,872	6,582
Operating profit (after tax)	139	236

The Key Non-financial Performance Indicators of the company are the on-the-field performance by our international teams, participation in the sport by players, coaches and volunteers at all levels of the game, and increasing the level of spectators and viewers in the professional game.

Future targets for KPIs are set during the annual planning process and always endeavour to be an improvement on current year performance where appropriate.

### Principal Risks and Uncertainties

In 2015 the sport has undergone its biggest transformation since the move of professional Rugby League to the summer in 1996. The Policy Review which was the subject of much consultation with the clubs in 2013 has seen the re-introduction of potential promotion and relegation; and the highly innovative league structure of two divisions of 12 teams which split after 23 rounds into a qualifying series comprising three groups of eight clubs. It has also revolutionised the sports Player production and development models to maximise the benefit that the World Cup legacy and the sport now sees a more stable financial environment than for many years. 2016 promises much for the RFL and for Rugby League.

### Detailed Analysis of Trading

Year on year turnover has increased by 31% from £19,222k to £25,274k which can be attributed in the main to increased broadcast and match income.

Match income increased from £2,902k in 2014 to £4,678k in 2015 – an increase of 62%. This is due to hosting the New Zealand Test Series in the autumn of 2015. Sponsorship income increased to £1,255k (2014: £764k) – an increase of 64% being due to an increase in the numbers and values of partnerships.

Government funding increased in 2015 from £4,916k in 2014 to £5,137k – an increase of 4.5% in line with the original submission for funds.

The existing RFL long term BBC contract continued in 2015 a new contract was concluded with British Sky Broadcasting, with overall Broadcast revenue increasing from £5,757k in 2014 to £8,070k in 2015.

Within the RFL accounts, the cost of sales heading is broken down into two sections. The first being the external, third party costs of making the sale and the second being those costs of sales that are internal to the RFL's stakeholders such as payments directly made to clubs. External cost of sales increased in 2015 by 25% from the 2014 figure of £9,270k to £11,410k. This is primarily due costs of hosting the New Zealand Test Series which did not take place in 2014. Grant funded activities expenditure has remained stable at £5,086k in 2015 and 2014. While Whole Sport Plan expenditure within this line has decreased in the year, this has been replaced by expenditure on the Sky Try programme. The income for the Sky Try programme is contained within Other Income.

Payments to and on behalf of clubs is made up from the cost of sales element of £3,174 (2014: £2,235k) and a further amount shown below Gross Profit on the Profit and Loss Account, which in 2015 brought the total payable to and on behalf of clubs to £10,872k (2014: £6,582k). This increase is due to the new broadcast contract with Sky which delivers enhanced distributions to clubs and provides the sport with stability until 2021.

## **Strategic Report** *(continued)*

The RFL has a policy of continuously monitoring operating costs. In 2015, these costs have decreased to £2,853k from £3,133k in 2014. This decrease is over a number of expenditure lines.

Once again, it is worth noting that interest receivable by the RFL which has historically been a very significant income stream was again low at £62k (2014: £59k). The relatively low amount is a result of the general economic impact felt from banks offering much lower interest rates over the last five years.

Accordingly, I am pleased to report that for the fourteenth year in succession the RFL has posted a pre-tax profit, on this occasion of £201k.

### **Our People**

Our People are at the heart of our sport. The RFL recognises that without their commitment, professionalism and expertise in delivering customer service excellence it would be unable to achieve its goals. We are committed to providing on going investment to their learning and development to achieve the highest standards. We fully support all opportunities for employment, career progression and development, irrespective of age, ethnicity, gender, disability or religion through our equality and diversity action plan.

### **Our Communities**

As a leading National Sports Governing Body we are committed to transforming our local communities by delivering an approach to corporate social responsibility encompassing cash donations, support for volunteering, environmentally friendly practices and investment in our people. In line with this commitment we have supported a number of sports related charities including the RFL Benevolent Fund, the RFL Facilities Trust, Rugby League Cares, the Rugby League Foundation and the Rugby League Heritage Trust. We support these organisations in cash and in kind. We have much more under consideration and planned for the future.

### **Corporate Governance**

The RFL is committed to high standards of corporate governance, and is continually looking at ways to improve this governance.

### **Review of 2015**

2015 represented the 120 anniversary of the creation of the sport of Rugby League. A number of celebratory events occurred throughout the year including the unveiling of blue plaques at the venues of the original 22 member clubs, a long distance walk between those originating clubs and, most significantly, the unveiling of a magnificent statue at Wembley stadium to celebrate the sport's long and rich history at that venue.

In addition to these activities, on the field the new season structure delivered spectacular results. The Super League League Leaders Shield was settled after the final hooter of the final game when Ryan Hall scored for Leeds at Huddersfield, and the season concluded with Leeds Rhinos completing a memorable treble. There were of course other exciting new events in 2015 with the creation of a Summer Bash for Championship clubs at Blackpool following the highly successful Magic formula which was staged in Newcastle for the Super League clubs.

At the start of the year, the World Club Challenge was expanded to include three teams from each hemisphere in another exciting innovation and internationally England defeated New Zealand in a thrilling Series which included our sport being played at the Queen Elizabeth Olympic Park in London for the first time.

Of less profile but equally significantly, Sky kindly and generously supported the sport's Sky Try initiative to reach 700,000 new participants to the sport over the next 7 years.

## Strategic Report *(continued)*

Sadly 2015 will also be remembered for the loss of Keighley Cougars player, Danny Jones, who died tragically during a fixture at London Skolars. As one has come to expect from the family of Rugby League, supporters from around the country rallied round to raise funds for his widow, Lizzie, and their young twins. Lizzie herself captured the hearts of the nation by performing at both the Ladbrokes Challenge Cup Final and at the BBC Sports Personality of the Year; the latter of which saw Leeds Rhinos Captain, Kevin Sinfield, retire from the sport as runner up to Andy Murray at the ceremony.

### Future Development Prospects

2016 is the second year of the RFL's new 7 year Strategic Plan. The Plan has the customer at its heart and looks particularly at broadcast, viewers, spectators at games, participants playing the sport at all levels, and of course winning internationally.

The new broadcast contract, which extends the relationship with Sky to beyond 30 years, also sees record levels of investment from British Sky Broadcasting ensuring that more matches than ever before will be shown live on TV with both Super League and Championship clubs benefiting from the increased exposure. The clubs will not only enjoy financial stability during the next six years but the game as a whole will benefit from the investment made by Sky across every level, including investment in the Community Game.

It is pleasing therefore that the viewing figures for the sport's premier competition, the First Utility Super League, remain strong in 2016 with event goers showing their enthusiasm and support of centrally organised events. The 2016 Magic Event was the best attended to date, and many of the games' supporters enjoyed the inaugural Summer Bash at Blackpool. Tickets for the 2016 Four Nations Event have sold well since being placed on sale in April 2016. The Series will see games played in new venues for international matches, with games to be hosted in Coventry and Liverpool as well as some of the more traditional venues such as Hull, Wigan and London. We hope that not only will the Four Nations deliver full stadiums but that spectators will be able to witness a victorious England Team under the guidance of their new coach Wayne Bennett.

Internally, the RFL has undertaken a Transformational Change Project to support our aspiration of putting the customer at the centre of all our activities. This project incorporates a review of our technological capability and internal structures to ensure that we have the right blend of skills and resources available to deliver the best possible service to all consumers of Rugby League, in whatever capacity they enjoy the sport; playing, coaching, spectating, volunteering, officiating or viewing.

### Summary

The trading results in 2015 were once again strong featuring increased levels of turnover for the RFL, and signs for the future of the game are promising. Accordingly the funds distributed around the sport were at the highest ever levels. The negotiation of a new Sky TV broadcast contract provides stability through to 2021 for both the RFL and its member clubs, and we are therefore confident in the RFL's ability to continue to execute its strategy through 2016 and beyond.

I would like to close by thanking the clubs, volunteers, staff and everyone associated with Rugby League for their hard work and support throughout the year, and look forward to the challenges that 2016 will bring.

Signed on behalf of the Board



N Wood  
Chief Executive Officer

Red Hall, Red Hall Lane, Leeds, LS17 8NB

16th June 2016

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2015.

### Principal activities

The principal activity of RFL (Governing Body) Limited ("the RFL" or "the League") throughout the year was the promotion of the game of Rugby Football League. The League organises and promotes competitions to maximise returns to members. The League is also the governing body for the game of Rugby Football League in Great Britain and Ireland.

### Business Review

The RFL has a profit for the financial year of £139k for the year ended 31 December 2015 (2014: £219k). The RFL has maintained an aggregate positive cash and short term deposit balance throughout the year. At 31 December 2015 this aggregate balance was £10,402k (2014: £7,773k). Therefore at the time of approval of the Financial Statements, the directors are satisfied regarding the funding of the RFL for the foreseeable future.

### Board of Directors

The RFL has a Board of Directors that is totally independent of any club or member involvement. The Board is comprised of two Executive Directors, and four Non-Executive Directors – including the Non-Executive Chairman.

All non-executive directors are subject to election by the RFL Council at the first opportunity after their appointment, and to re-election at regular intervals and at least every three years. Non-executive directors retire by rotation and may offer themselves for immediate re-election.

In July 2015 Robert (Bob) Stott sadly retired from the Board through ill health. Bob had been a member of the RFL Board for eight years and in that time has assumed responsibility as the Chairman of the Audit Committee and the Risk Management Control Committee. Bob took particular interest in the Championship and League one clubs and his contribution to the RFL Board is greatly missed. Bob has been replaced on the Audit Committee by Simon Johnson and on the Risk Management Control Committee Clare Morrow.

In January 2016 we were delighted to welcome Chris Brindley to the Board as our fourth Non-executive Director.

The Directors who held office during the year therefore was as follows:

B Barwick	(Non-Executive Chairman)
N Wood	(Chief Executive Officer)
R Stott	Resigned 29 July 2015
C Morrow	
R Rimmer	
S Johnson	
C Brindley	Appointed 1 <sup>st</sup> January 2016

The Board undertakes a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors. This includes a review of whether each director continues to contribute effectively and demonstrate a commitment to the role (including commitment of time for Board and committee meetings and any other duties). The evaluation process is used constructively as a mechanism to improve Board effectiveness, maximise strengths and address areas of improvement.

## Directors' report (continued)

### Board Committees

The Board has established four specific committees, each with defined terms of reference. Minutes of the meetings are circulated to and reviewed by the Board.

#### *The Audit Committee*

This consists of the three non-executive directors and the CEO. This Committee was last chaired by Bob Stott, and normally meets once a year and in addition to the Committee members is attended by representatives of the external auditors and the Director of Finance and Central Services. The non-executive Chairman, and all other board directors have a standing invite to attend. The Audit Committee considers the Annual Report and Accounts before submission to RFL Council for approval. The Committee also reviews accounting practices to ensure compliance with accounting standards. In addition it recommends the appointment of the external auditors for approval at the AGM, gives consideration to the scope of past and future audits, deals with matters arising from the audit and reviews internal control procedures. All non-audit services provided by the Group's auditors are considered by the Chairman of the Audit Committee and the Chief Executive Officer and are reviewed by the Audit Committee where expenditure is above a set limit for this type of work.

#### *The Remuneration Committee*

The Board of Directors consider it important to benchmark key staff against other businesses of similar size and against other sports governing bodies. To this end, the Remuneration Committee meets as appropriate under the chairmanship of Clare Morrow and also comprises Simon Johnson. The Committee determines the terms and conditions of employment for executive directors and agrees the level of remuneration for senior managers whose earnings are in excess of the committee's prescribed limit.

#### *The Nominations Committee*

The RFL believes that there should be a formal and transparent procedure for appointing new members to the Board of Directors. To this end the Board established a Nominations Committee which will lead the process for board appointments. This Committee is chaired by Brian Barwick and includes Clare Morrow, Simon Johnson and the RFL CEO. The Committee is responsible for nominating candidates to fill board vacancies for the approval of the Board as and when they arise. Before considering any appointment, the balance of skills, knowledge and experience on the Board is evaluated and, in the light of this evaluation, a description of the role and capabilities required for a particular appointment is prepared. In addition full consideration is given to succession planning in the course of its work, taking into account the challenges and opportunities facing the company and the skills and expertise that are therefore needed on the Board in the future as well as regularly reviewing the structure, size and composition (including skills, knowledge and experience) of the Board and making recommendations to the Board with regard to any changes.

#### *Risk Management Control Committee*

The RFL have had a Risk Management Control Group for a number of years. This group has reported into the Board since its inception, but in 2013 the Board decided that this group should be a formal Committee of the RFL Board to further demonstrate the Board's commitment to risk. The Committee was chaired by Bob Stott until July 2015 and also includes the RFL's Company Secretary and Director of Finance and Central Services, Sue Allan; the RFL's Legal and Compliance Officer, Robert Hicks; the RFL's Facilities Manager, Sarah Trumble; and an external insurance specialist from Bartlett & Company. The Committee reviews the risks of the business and investigates appropriate responses to the identified risks.



## **Directors' report** *(continued)*

### *Laws Committee*

This group has been in existence for some time but such is the importance that the Board place on this, that during 2014 the Board requested that this become a formal sub-committee of the Board. The Committee is chaired by the RFL's CEO, Nigel Wood. The Committee meet three times each year to review the current laws of the game whilst also fully considering the potential impact of the introduction of new laws based on criteria such as; game spectacle, player safety and also the international landscape. Drawing from across the game, the Committee comprises of the Director of Projects and Planning, Jon Dutton who is the Committee Secretary and the RFL's Chief Operating Office Ralph Rimmer. They are joined by Bob Barker representing the Community game, Carl Hall representing Championship and L1 and Mike Rush representing Super League. The Committee consider it vital to understand the views of coaching staff, and Brian Mc Dermott represents this group whilst players are represented by Jon Wilkin. Finally the Committee also includes representation from the Match Officials department who give expertise on the potential implications of suggested law changes.

### **Internal Control**

The Board is responsible for establishing and maintaining the RFL's system of internal controls. Internal control systems are intended to meet the needs of the organisation and the risks to which it is exposed. By their nature, such systems and procedures are designed to manage rather than eliminate the risk of failure to achieve objectives and can therefore provide reasonable and not absolute reassurance against material loss or misstatement.

Key elements of the internal control systems are:

- Clearly defined management structure and delegation of authority to committees of the Board and the management team.
- High recruitment standards and formal career development and training to ensure the integrity and competence of staff.
- Regular information provided to management and staff, covering financial performance and key performance indicators.
- A detailed budgeting process where departmental managers participate in the budget formation before approval by the Board.
- Procedures for the approval of capital expenditure, investments and significant trading purchases.
- Monthly monitoring and re-forecasting of results against budget, with management action taken and recorded against major variances.
- On-going procedures to maintain the risk register, evaluate the risks faced by the business and monitor the systems to control and reduce the risks.

### **Proposed dividend**

The directors do not recommend the payment of a dividend.

### **Political contributions**

The Company made no political donations or incurred any disclosable political expenditure during the year.

### **Other information**

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 1

### **Auditor**

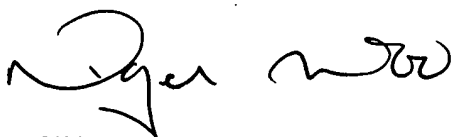
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

## Directors' report *(continued)*

### Disclosure of information to auditor

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

By order of the board



**N Wood**  
Chief Executive Officer

16th June 2016

## Statement of directors' responsibilities in respect of the annual report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

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



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Sovereign Street  
Leeds  
LS1 4DA

## **Independent auditor's report to the members of RFL (Governing Body) Limited (a company limited by guarantee)**

We have audited the financial statements of RFL (Governing body) Limited for the year ended 31 December 2015 set out on pages 12 - 31. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 9 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Independent auditor's report to the members of RFL (Governing Body) Limited (a company limited by guarantee) (continued)**

**Opinion on other matters prescribed by the Companies Act 2006**

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Chris Hearld (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

5 September 2016

**Consolidated Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 December 2015*

	<i>Note</i>	£	2015 £	£	2014 £
<b>Turnover</b>	1,2		25,274,296		19,221,513
Cost of sales	3	(11,410,090)		(9,270,375)	
Cost of sales – payable to or on behalf of clubs	4	(3,173,540)		(2,234,602)	
			<hr/>		<hr/>
Total cost of sales			(14,583,630)		(11,504,977)
			<hr/>		<hr/>
<b>Gross profit</b>			10,690,666		7,716,536
Payments to or on behalf of clubs and other member organisations	4	(7,698,540)		(4,347,591)	
Operating costs		(2,853,019)		(3,132,716)	
			<hr/>		<hr/>
Administrative costs			(10,551,559)		(7,480,307)
			<hr/>		<hr/>
<b>Operating profit</b>			139,107		236,229
Other interest receivable and similar income	9		61,632		58,797
			<hr/>		<hr/>
<b>Profit on ordinary activities before taxation</b>			200,739		295,026
Tax on profit on ordinary activities	10		(61,249)		(76,225)
			<hr/>		<hr/>
<b>Profit for the financial year</b>			139,489		218,801
			<hr/> <hr/>		<hr/> <hr/>

All items dealt with in arriving at Operating Profit above relate to continuing operations. Any restatement of these accounts following the transition to FRS 102 can be found in note 24.

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents.

The notes on pages 18 to 31 form part of these financial statements.

**Consolidated balance sheet**  
at 31 December 2015

	Note	2015		2014
		£	£	(restated)
				£
<b>Fixed assets</b>				
Tangible assets	11	2,868,423		3,003,042
Investments	13	-		1
		<u>2,868,423</u>		<u>3,003,043</u>
<b>Current assets</b>				
Debtors	14	10,981,864	10,166,240	
Cash at bank and in hand	15	10,402,819	7,773,298	
		<u>21,384,683</u>	<u>17,939,538</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(22,450,230)</u>	<u>(19,287,002)</u>	
<b>Net current liabilities</b>		<u>(1,065,547)</u>		<u>(1,347,464)</u>
<b>Total assets less net current liabilities</b>		<u>1,802,876</u>		<u>1,655,579</u>
<b>Net assets</b>		<u>1,802,876</u>		<u>1,655,579</u>
<b>Capital and Reserves</b>				
Revaluation reserve	19	412,379		404,571
Accumulated surplus	19	1,390,497		1,251,008
		<u>1,802,876</u>		<u>1,655,579</u>
<b>Shareholders' funds</b>		<u>1,802,876</u>		<u>1,655,579</u>

The notes on pages 18 to 31 form part of these financial statements. Any restatement of these accounts following the transition to FRS 102 can be found in note 24.

These financial statements were approved by the board of directors on 16th June 2016 and were signed on its behalf by:

  
N Wood  
Chief Executive Officer

Company registered number: 05835638


**Company balance sheet**  
 at 31 December 2015

	Note	£	2015 £	£	2014 (restated) £
<b>Fixed assets</b>					
Tangible assets	11		2,566,611		2,620,056
Investments	13		389,861		389,861
			<u>2,956,472</u>		<u>3,009,917</u>
<b>Creditors:</b> amounts falling due within one year	16	(246,441)		(312,063)	
<b>Net current liabilities</b>			<u>(246,441)</u>		<u>(312,063)</u>
<b>Total assets less current liabilities</b>			<u>2,710,031</u>		<u>2,697,854</u>
<b>Net assets</b>			<u>2,710,031</u>		<u>2,697,854</u>
<b>Members' fund</b>					
Revaluation reserve	19		412,378		404,571
Accumulated surplus	19		2,297,653		2,293,283
			<u>2,710,031</u>		<u>2,697,854</u>

The notes on pages 18 to 31 form part of these financial statements. Any restatement of these accounts following the transition to FRS 102 can be found in note 24.

The company is limited by guarantee.

These financial statements were approved by the board of directors on 16th June 2016 and were signed on its behalf by:



**N Wood**  
 Chief Executive Officer

Company registered number: 05835638



## Statement of Changes in Equity

	Group		
	Revaluation reserve	Accumulated surplus	Total equity
	£	£	£
Balance at 1 January 2014	456,591	1,032,207	1,488,798
Effect of change in accounting policy	(52,020)	-	(52,020)
	<hr/>	<hr/>	<hr/>
Balance at 1 January 2014 (restated)	404,571	1,032,207	1,436,778
<b>Total comprehensive income for the period</b>			
Profit or loss	-	218,801	218,801
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	218,801	218,801
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2014</b>	<b>404,571</b>	<b>1,251,008</b>	<b>1,655,579</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Group		
	Revaluation reserve	Accumulated surplus	Total equity
	£	£	£
Balance at 1 January 2015	404,571	1,251,008	1,655,579
<b>Total comprehensive income for the period</b>			
Profit or loss	-	139,489	139,489
Deferred taxation on revalued assets	7,808	-	7,808
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	7,808	139,489	147,297
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2015</b>	<b>412,379</b>	<b>1,390,497</b>	<b>1,802,876</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Further details of the change in accounting policy are provided in note 24.

**Statement of Changes in Equity (continued)**

	<b>Company</b>		
	<b>Revaluation reserve</b>	<b>Accumulated surplus</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 January 2014	456,591	2,288,913	2,745,504
Effect of change in accounting policy	(52,020)	-	(52,020)
	<hr/>	<hr/>	<hr/>
Balance at 1 January 2014 (restated)	404,571	2,288,913	2,693,484
<b>Total comprehensive income for the period</b>			
Profit or loss	-	4,370	4,370
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	4,370	4,370
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2014</b>	<b>404,571</b>	<b>2,293,283</b>	<b>2,697,854</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	<b>Company</b>		
	<b>Revaluation reserve</b>	<b>Accumulated surplus</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 January 2015	404,571	2,293,283	2,697,854
<b>Total comprehensive income for the period</b>			
Profit or loss	-	4,370	4,370
Deferred taxation on revalued assets	7,807	-	7,807
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	7,807	4,370	12,177
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2015</b>	<b>412,378</b>	<b>2,297,653</b>	<b>2,710,031</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Further details of the change in accounting policy are provided in note 24.

**Consolidated Cash Flow Statement**  
 for year ended 31 December 2015

	Note	2015 £	2016 £
<b>Cash flows from operating activities</b>			
Profit for the year		139,490	218,801
Adjustments for:			
Depreciation, amortisation and impairment		249,339	266,219
Interest receivable and similar income		(61,632)	(58,797)
Taxation		61,249	76,225
		<hr/>	<hr/>
		388,446	502,448
Increase in trade and other debtors		(814,941)	(3,990,646)
Increase in trade and other creditors		3,210,977	3,698,377
		<hr/>	<hr/>
		2,784,482	210,179
Tax paid		(101,873)	(106,051)
Purchase of fixed assets	11	(114,720)	(92,315)
		<hr/>	<hr/>
<b>Net cash from operating activities</b>		<b>2,567,889</b>	<b>11,813</b>
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Interest received		61,632	58,797
		<hr/>	<hr/>
<b>Net cash from investing activities</b>		<b>61,632</b>	<b>58,797</b>
		<hr/>	<hr/>
Net increase in cash and cash equivalents		2,629,521	70,610
Cash and cash equivalents at 1 January 2015		7,773,298	7,702,688
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 December 2015</b>	15	<b>10,402,819</b>	<b>7,773,298</b>
		<hr/> <hr/>	<hr/> <hr/>

## Notes

(forming part of the financial statements)

### 1 Accounting policies

RFL (Governing Body) Limited (the "Company") is a company limited by guarantee and incorporated and domiciled in the UK.

These Group and Parent Company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has provided for deferred taxation on the revalued element of fixed assets. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 24.

FRS 102 grants certain first-time adoption exemptions from the full requirements of FRS 102. The following exemptions have been taken in these financial statements:

- The previous GAAP revaluation at transition date has been used as deemed cost for specific tangible fixed assets, and specific investment property

#### 1.1 *Change in accounting policy/prior period adjustment*

In these financial statements the Group has recognised deferred taxation on the revaluation reserve. This is a direct result of adopting FRS 102. Details are given at note 24.

#### 1.2 *Measurement convention*

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: investment property, and tangible fixed assets.

#### 1.2 *Going concern*

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Review on pages 1 to 3. The company has considerable financial resources together with a long-term contracts with its major broadcast partner and a number of customers and suppliers across different geographic areas and industries. As a consequence, the directors believe that the company is well placed to manage its business risks successfully. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### 1.3 *Basis of consolidation*

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2015. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

#### 1.4 *Foreign currency*

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

## Notes (continued)

### 1.5 Basic financial instruments

#### Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

### 1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Tangible fixed assets include investment property whose fair value cannot be measured reliably without undue cost or effort. Certain items of tangible fixed assets that had been revalued to fair value on or prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. Lease payments are accounted for as described at 1.16 below.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Leasehold properties 25 years
- Fixtures & Fittings 8 years
- Office Equipment 4 years
- Computer Equipment 4 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

#### Revaluation

Freehold properties are stated at fair value less any subsequent accumulated depreciation and impairment losses.

Gains on revaluation are recognised in other comprehensive income and accumulated in the revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease previously recognised in profit or loss.

Losses arising on revaluation are recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. Any excess is recognised in profit or loss.

## Notes (continued)

### 1.7 Government funding for service delivery

Government funding for service delivery is included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

### 1.8 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and

ii. no depreciation is provided in respect of investment properties applying the fair value model.

### 1.9 Employee benefits

#### Post retirement benefits

The organisation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the organisation in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

#### Termination benefits

Termination benefits are recognised as an expense when the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

### 1.10 Provisions

A provision is recognised in the balance sheet when the Entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Parent Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

### 1.11 Turnover

Income comprises the value of sales excluding VAT of goods and services in the normal course of business, sponsorship monies, grant monies and revenue derived from television broadcasting contracts. Income includes amounts generated as principal and excludes transactions conducted as agent of the Clubs. Income is recognised in the period to which it relates and payments to clubs are recorded as 'payable to clubs' in the period in which the related income is recognised. Government grants are taken to income in order to match them against the related costs. Where amounts have not yet been spent grant monies received are shown as deferred income.

## Notes (continued)

### 1.12 Expenses

#### *Operating lease*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

#### *Interest receivable*

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income is recognised in profit or loss as it accrues. Foreign currency gains and losses are reported on a net basis.

### 1.13 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Notes (continued)**

**2 Turnover**

By activity:	2015 £	2014 £
Match income	4,677,715	2,901,925
Broadcast	8,069,533	5,757,000
Sponsorship	1,254,798	775,950
Government funding	5,137,489	4,915,915
Other	6,134,761	4,870,723
	<u>25,274,296</u>	<u>19,221,513</u>
	<u><u>25,274,296</u></u>	<u><u>19,221,513</u></u>
<b>By geographical market:</b>		
UK	<u>25,274,296</u>	<u>19,221,513</u>
	<u><u>25,274,296</u></u>	<u><u>19,221,513</u></u>

**3 Cost of sales**

	2015 £	2014 £
Match costs	3,000,903	1,381,043
Grant funded activities	5,086,150	5,086,253
Sponsorship and promotional costs	605,628	303,392
Other	2,717,409	2,499,687
	<u>11,410,090</u>	<u>9,270,375</u>
	<u><u>11,410,090</u></u>	<u><u>9,270,375</u></u>

**4 Payments to or on behalf of clubs and other member organisations**

	2015 £	2014 £
Awards to clubs	5,240,620	2,581,637
Awards to other sections of the game	156,939	174,633
Match officials	1,388,380	703,420
Insurance	480,728	478,720
Disciplinary costs and banned substances testing	239,311	240,183
Player Welfare	192,562	168,998
	<u>7,698,540</u>	<u>4,347,591</u>
	<u><u>7,698,540</u></u>	<u><u>4,347,591</u></u>

In addition to the amounts above, further amounts were paid to or on behalf of clubs relating to events or government funding. These amounts are contained within Cost of sales – payable to or on behalf of clubs and are as follows:

	2015 £	2014 £
Match costs	1,544,667	1,376,196
Grant funded activities	1,628,873	858,406
	<u>3,173,540</u>	<u>2,234,602</u>
	<u><u>3,173,540</u></u>	<u><u>2,234,602</u></u>
Total payments made to or behalf of clubs and other member organisations	<u>10,872,080</u>	<u>6,582,193</u>
	<u><u>10,872,080</u></u>	<u><u>6,582,193</u></u>



**Notes (continued)**

**5 Expenses and auditor's remuneration**

*Included in profit/loss are the following:*

*Auditor's remuneration:*

	<b>2015</b>	2014
	<b>£</b>	£
Audit of these financial statements	<b>17,000</b>	16,600
Amounts receivable by the company's auditor and its associates in respect of:		
Audit of financial statements of subsidiaries of the company	<b>17,000</b>	16,600
Taxation compliance services	<b>5,300</b>	8,900
	<u><u>17,000</u></u>	<u><u>16,600</u></u>

**6 Staff numbers and costs**

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	<b>Number of employees</b>	
	<b>2015</b>	2014
On field staff	<b>4</b>	2
Administration staff	<b>165</b>	158
	<u><u>169</u></u>	<u><u>160</u></u>

The aggregate payroll costs of these persons were as follows:

	<b>2015</b>	2014
	<b>£</b>	£
Wages and salaries	<b>5,969,539</b>	4,978,108
Social security costs	<b>554,856</b>	515,242
Contributions to defined contribution plans	<b>177,394</b>	295,282
	<u><u>6,701,789</u></u>	<u><u>5,788,632</u></u>

## Notes (continued)

### 7 Directors' remuneration

	2015	2014
	£	£
Directors' remuneration	568,959	522,699
Company contributions to money purchase pension plans	26,106	25,630
	<u>595,065</u>	<u>548,329</u>

The aggregate of remuneration receivable of the highest paid director was £252k (2014:£209k), and company pension contributions of £20k (2014:£31k) were made to a money purchase scheme on his behalf

	Number of directors	
	2015	2014
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	<u>2</u>	<u>2</u>

### 9 Other interest receivable and similar income

	2015	2014
	£	£
Net gain on financial assets measured at fair value through profit or loss	61,632	58,797
	<u>61,632</u>	<u>58,797</u>

### 10 Taxation

#### Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2015		2014	
	£	£	£	£
<i>Current tax</i>				
Current tax on income for the period	60,248		90,974	
Adjustments in respect of prior periods	5,489		(7,661)	
		<u>65,737</u>		<u>83,103</u>
<i>Deferred tax</i>				
Origination and reversal of timing differences	(1,881)		(6,878)	
Change in tax rate	(961)		-	
Adjustments arising from a change in tax status of the company	(1,646)		-	
		<u>(4,488)</u>		<u>(6,878)</u>
Total deferred tax		(4,488)		(6,878)
Tax expense(income) relating to changes in accounting policies and material error				
		<u>61,249</u>		<u>76,225</u>

**Notes (continued)**

**10 Taxation (continued)**

	2015			2014		
	£	£	£	£	£	£
	Current tax	Deferred tax	Total tax	Current tax	Deferred tax	Total tax
Recognised in Profit and loss account	65,737	(4,488)	61,249	83,103	(6,878)	76,225
Recognised directly in equity	-	(7,807)	(7,807)	-	52,020	52,020
<b>Total tax</b>	<b>65,737</b>	<b>(12,295)</b>	<b>53,442</b>	<b>83,103</b>	<b>45,142</b>	<b>128,245</b>

All taxation is UK Corporation Tax

**Reconciliation of effective tax rate**

	2015 £	2014 £
Profit for the year	139,489	218,801
Total tax expense	61,249	76,225
Profit excluding taxation	200,739	295,026
Tax using the UK corporation tax rate of 20.25% (21.35%)	35,529	62,978
Non-deductible expenses	20,080	37,774
Fixed asset differences	2,699	13,553
Short term timing differences	-	(38,845)
Depreciation for period in excess of Capital Allowances	-	7,392
Under / (over) provided in prior years current taxation	3,843	(7,661)
Adjust deferred tax rate to current rate	(726)	-
Marginal relief	(176)	(866)
Losses carried back	-	8,778
<b>Total tax expense included in profit or loss</b>	<b>61,249</b>	<b>83,103</b>

Notes (continued)

11 Tangible fixed assets

Group	Freehold land & buildings £	Leasehold land & buildings £	Equipment, fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At beginning of year	1,444,250	1,336,145	1,816,655	4,597,050
Additions	-	-	114,720	114,720
At end of year	1,444,250	1,336,145	1,931,375	4,711,770
<b>Depreciation</b>				
At beginning of year	-	160,338	1,433,670	1,594,008
Charge for year	-	53,446	195,893	249,340
At end of year	-	213,784	1,629,563	1,843,347
<b>Net book value</b>				
At 31 December 2015	1,444,250	1,122,361	301,812	2,868,423
At 31 December 2014	1,444,250	1,175,807	382,985	3,003,042
<b>Company</b>				
<b>Cost or valuation</b>				
At beginning of year		1,444,250	1,336,145	2,780,395
At end of year		1,444,250	1,336,145	2,780,395
<b>Depreciation</b>				
At beginning of year		-	160,338	160,338
Charge for year		-	53,446	53,446
At end of year		-	213,784	213,784
<b>Net book value</b>				
At 31 December 2015		1,444,250	1,122,361	2,566,611
At 31 December 2014		1,444,250	1,175,807	2,620,057

Included above is freehold land of £415,000 (2014: £475,000) and other freehold properties of £1,050,000 (2014: £970,000), neither of which are depreciated.

**Notes (continued)**

**11 Tangible fixed assets (continued)**

*Revaluation*

Assets are periodically valued by independent valuers. The last valuation was carried out in January 2016 as at 31 December 2015.

The aggregate fair value of the freehold properties was measured taking into consideration their current physical condition subject to existing tenancies and with vacant possession as appropriate.

The following information relates to tangible fixed assets carried on the basis of revaluation.

Freehold land and buildings

	2015 £	2014 £
At fair value	1,444,250	1,444,250
Historical cost net book value	<u>975,822</u>	<u>975,822</u>

The aggregate fair value of the freehold property at 31 December 2015 was not materially different from the previous valuation and the directors chose not to reflect this in the accounts

*Land and Buildings*

The net book value of land and buildings comprises:

	2015 £	2014 £
Freehold	1,444,250	1,444,250
Long leasehold	1,122,361	1,175,807
	<u>2,566,611</u>	<u>2,620,057</u>

**Notes** (continued)

**12 Investment property**

	<b>2015</b> £
Balance at 1 January	1,175,807
Depreciation charge	(53,446)
	<hr/>
Balance at 31 December	1,122,361
	<hr/>
Historical cost net book value	1,175,807
	<hr/> <hr/>

Any gain or loss arising from a change in fair value is recognised in profit or loss. Rental income from investment property is accounted for as described in the Turnover accounting policy.

**13 Fixed asset investments**

<b>Company</b>	<b>Investment in subsidiary undertakings</b> £
<i>Cost and net book value</i>	
At beginning and end of year	389,861
	<hr/> <hr/>

The undertakings in which the group's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Percentage of ordinary shares held	
			Group	Company
<i>Subsidiary undertakings</i>				
The Rugby Football League Limited	UK	Sports promotion	100%	100%
ZZ Merchandising Limited (formerly Rugby League Enterprises)	UK	Sports promotion	97%	97%
Rugby League Tri-Tournaments Limited	UK	Sports promotion	100%	100%
Rugby League World Cup 2013 Ltd	UK	Sports promotion	100%	100%
Rugby League Learning Limited	UK	Rugby League Qualifications	100%	100%

## Notes (continued)

### 14 Debtors

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	9,373,733	8,838,676	-	-
Other debtors	390,611	120,821	-	-
Taxation and social security	17,500	10,256	-	-
Prepayments and accrued income	527,679	1,171,866	-	-
Loans to clubs	672,341	24,621	-	-
	<u>10,981,864</u>	<u>10,166,240</u>	<u>-</u>	<u>-</u>

### 15 Cash and cash equivalents

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Cash at bank and in hand	<u>10,402,819</u>	<u>7,773,298</u>	<u>-</u>	<u>-</u>

### 16 Creditors: amounts falling due within one year

	Group		Company	
	2015	2014 (restated)	2015	2014 (restated)
	£	£	£	£
Trade creditors	7,798,903	6,465,570	-	-
Taxation and social security	272,611	895,113	-	-
Other creditors	9,223,970	3,180,788	-	-
Intercompany creditors	-	-	187,774	245,589
Accruals and deferred income	5,048,462	8,591,499	-	-
Corporation tax	55,311	90,764	14,454	14,454
Deferred tax (see note 13)	50,973	63,268	44,213	52,020
	<u>22,450,230</u>	<u>19,287,002</u>	<u>246,441</u>	<u>312,063</u>

### 17 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2015	2014	2015	2014	2015	2014
	£	£	£	£	£	£
Accelerated capital allowances	-	-	53,579	65,118	53,579	65,118
Short term timing differences	(2,606)	(1,850)	-	-	(2,606)	(1,850)
	<u>(2,606)</u>	<u>(1,850)</u>	<u>53,579</u>	<u>65,118</u>	<u>50,973</u>	<u>63,268</u>

## Notes (continued)

### 18 Employee benefits

#### Defined contribution plans

The Company operates a number of defined contribution pension plans.

The total expense relating to these plans in the current year was £177k (2014: £295k)

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

### 19 Capital and reserves

#### Revaluation reserve

Where tangible fixed assets are revalued or reclassified as investment property, the cumulative increase in the fair value of the property at the date of reclassification in excess of any previous impairment losses is included in the revaluation reserve.

#### Accumulated surplus

A reconciliation of the accumulated surplus can be found in the Statement of Changes in equity on page 15.

### 20 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2015 £	2014 £
Less than one year	17,229	22,974
Between one and five years	-	17,229
	<u>17,229</u>	<u>40,203</u>

During the year £22,974 was recognised as an expense in the profit and loss account in respect of operating leases (2014: £22,974).

### 21 Related parties

In 2006 the Chairman and Chief Executive Officer of the RFL became the two operational directors of Super League (Europe) Limited (SLE). By virtue of these shared directorships, the two companies are now related parties. The RFL receives income from ticket sales and sponsorship and incurs costs relating to SLE – these are all passed on to SLE. Similarly SLE receives some income and incurs some costs on behalf of the RFL – these are passed on to the RFL.

At 31 December 2015 within trade debtors £505,601 (2014: £nil) is owed to the RFL by SLE. At 31 December 2015 within prepayments £10,000 (2014: £45,000) is owed to the RFL by SLE. At 31 December 2015 within trade creditors £7,018,166 (2014: £5,561,026) is owed by the RFL to SLE. At 31 December 2015 within accruals and deferred income £nil (2014: £5,103) is owed by the RFL to SLE. At 31 December 2015 within other creditors £124,212 (2014: £58,922) is owed by the RFL to SLE

### 22 Company limited by guarantee

The company is limited by guarantee and does not have share capital.

The liability of the members in the event of the company being liquidated is limited to £1 per member.



## Notes (continued)

### 23 Accounting estimates and judgements

In the opinion of the Directors these financial statements are not dependent upon any accounting estimates or judgements

### 24 Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 December 2015 and the comparative information presented in these financial statements for the year ended 31 December 2014.

In order to comply with FRS 102 the Company has provided for deferred taxation on the revaluation reserve which arises from periodic revaluation of land and buildings. The charge to raise the provision has been treated as a prior year adjustment and raised against the revaluation reserve and amounted to £52,020. In 2015 the deferred tax provision on the revaluation reserve fell to £44,213 and the movement credited to the revaluation reserve. (see Statement of Changes in Equity page 15)

There have been no other changes to accounting policies as a consequence of adopting FRS102. As a result of the change to FRS102, a statement of comprehensive income has been prepared in place of a profit and loss account, and a statement of changes in equity has also been prepared.