



**NORWICH CITY**  
**FOOTBALL CLUB**

# CANARIES BOND

Invitation Document  
March 2018







# BUILDING OUR FUTURE

Max Aarons, 18

# DISCLAIMER

## This document is important and requires your immediate attention

If you are in any doubt about the contents of this document, or action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial advisor who specialises in advising on investments in unlisted shares, bonds and other securities.

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**Before you subscribe for any Canaries Bonds you should make sure that you fully understand the risks which are set out in this Invitation Document and you should determine whether the investment is suitable for you on the basis of all the information contained in this Invitation Document. In the event that the Company becomes insolvent, you may lose some or all of your investment. Investors are not protected from loss by the Financial Services Compensation Scheme against the Company's default or for any losses they may suffer by acquiring Canaries Bonds. Investors should not subscribe for any Canaries Bonds except on the basis of the information published in this Invitation Document and the terms and conditions constituting the Canaries Bonds set out in the bond instrument (the “Bond Instrument”).**

Your attention is particularly drawn to the “Risk Factors” which are set out on pages 36 to 38 of this Invitation Document. Prospective investors should consider carefully whether an investment in Canaries Bonds is suitable for them in light of their personal circumstances. Canaries Bonds are an unsecured debt of the Company and they may not be a suitable investment for all recipients of this Invitation Document. Canaries Bonds are not transferable or negotiable on the capital markets and no application is to be made for the Canaries Bonds to be admitted to listing or trading on any market.

Investment in an unquoted security of this nature, being an illiquid investment, is speculative, involving a substantial degree of risk. It will not be possible to sell or realise Canaries Bonds or to obtain reliable information about the risks to which they are exposed. There is no certainty or guarantee that the Company will be able to repay them.

This Invitation Document, which is a financial promotion for the purposes of Section 21 of the Financial Services and Markets Act 2000, is issued by the Company which accepts responsibility for the information contained herein. This Invitation Document has been approved as a financial promotion for publication by Tifosy Limited (“**Tifosy**”), a company incorporated in England and Wales with registered number 08504907 and with its registered address at Studio 7, 75-81 Burnaby Street, London SW10 0NS, which is authorised by the Financial Conduct Authority to, amongst other things, arrange deals and investments and place financial instruments (reference number: 717605). Tifosy is acting exclusively for the Company in connection with the issue of Canaries Bonds for promotion to the limited class of persons listed in FCA COBS Rule 4.7.7 being (a) certified as a ‘high net worth investor,’ (b) certified as a ‘sophisticated investor,’ (c) self-certified as a ‘sophisticated investor’, or (d) certified as a ‘restricted investor’.

For ease of reference, by completing the investor categorisation and appropriateness questionnaire at [www.tifosy.com/canaries](http://www.tifosy.com/canaries) or [www.tifosy.com/canaries-priority](http://www.tifosy.com/canaries-priority) prior to having been supplied or otherwise given access to this Invitation Document, you have confirmed that you are one of the category of persons (a) to (d) above and, as such, are permitted to receive this Invitation Document and apply for Canaries Bonds.

Applications should only be made on the basis of this Invitation Document and the Bond Instrument. For the avoidance of doubt, Tifosy is not entering into a client relationship with any applicant for Canaries Bonds and will not be responsible to applicants for

Canaries Bonds for the duties it owes its clients.

This Invitation Document does not constitute an offer of transferable securities to the public and no prospectus is required to be published in accordance with the Prospectus Directive. Prospectus Directive means Directive 2003/71/EU (as amended) and includes any relevant implementing measures in each member state of the EEA. Therefore, the contents of this Invitation Document have not been approved by the Financial Conduct Authority or any regulatory body nor is it intended that this document will be so examined or approved.

This Invitation Document does not constitute an offer to sell, or the solicitation of an offer to buy, Canaries Bonds in any jurisdiction in which such offer or solicitation is unlawful and, in particular, is not for distribution into the United States, Australia, Japan or Canada. Therefore, persons accessing this Invitation Document should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of securities laws of such jurisdiction. Recipients represent and warrant to the Company and Tifosy that they are able to receive this Invitation Document without contravention of applicable legal or regulatory restrictions in the jurisdiction in which they reside, conduct business, or receive this Invitation Document.

**You should ensure that you have read and understood all of this Invitation Document and the Bond Instrument before applying for Canaries Bonds. If you are in any doubt as to the contents of this Invitation Document, or whether subscribing for Canaries Bonds is a suitable investment for you, you should seek your own independent advice from an appropriately qualified financial advisor who specialises in advising on investments in unlisted securities.**

# CONTENTS

<b>3</b>	Disclaimer	<b>26</b>	Financial Information
<b>4</b>	Contents	<b>33</b>	The Canaries Bond
<b>5</b>	A Letter from Delia & Michael	<b>35</b>	Taxation
<b>6</b>	Our Vision & Values	<b>36</b>	Risk Factors
<b>7</b>	Our Strategy for the Future	<b>39</b>	Terms and Conditions
<b>9</b>	Canaries Bond at a Glance	<b>41</b>	Questions and Answers
<b>10</b>	Investment Returns - Cash, Credit & Promotion Bonus	<b>43</b>	Applications & How to Apply
<b>11</b>	Investor Privileges	<b>44</b>	Glossary and Definitions
<b>13</b>	Introducing Norwich City Football Club	<b>46</b>	Contacts
<b>14</b>	A Club with Strong Support		
<b>15</b>	Norwich City - History		
<b>17</b>	Norwich City - Board		
<b>19</b>	Norwich City - Key Management		
<b>21</b>	Introducing the Norwich City Academy		
<b>22</b>	Vision for the Academy		
<b>23</b>	Jamal Lewis: The Academy at its Best		
<b>24</b>	Use of Proceeds		

# A LETTER FROM DELIA & MICHAEL



As you may have noticed, there's an exciting sea change happening at our beloved football club. Whilst we accept that on matchdays 27,000 would-be managers may have starkly differing views, the one area of solid ground where we all stand totally united, is a shared love and great pride in our beloved club. This has been the focal point of our community now for well over a hundred years and this solidarity is what we believe will provide us with building blocks for the future.

In 2018 what surrounds the beautiful game of football has changed beyond recognition, and this presents for all of us - Board Directors, staff and supporters - some serious challenges. Not just in achieving optimum success, but to ensure our very existence. For this reason, we have put in place a bold new structure which involves a more open, and shared leadership responsibility, with Stuart Webber, Steve Stone, and Daniel Farke working more closely with the Chairman, Board, Senior Managers and Staff. We now have our Board meetings at Colney, where we watch training, and have lunch with the players. And now as an extension of that, we also invite players' families to join us in the directors' lounge on matchdays. It is our belief, that in creating a close knit team/family atmosphere throughout the whole of our Club, this will help to build strong foundations for success in the future.

And our plans for achieving that success? By returning to our roots and where we started. Which means putting all our efforts into producing home grown players.

Stuart Webber has in the last year, put in place a very talented and experienced staffing structure and our aim is to create a first class vibrant youth academy. To educate and produce the best talented young players for the first team, who will be coached to play the Norwich style of football, not only making the transition from youth to first team much easier, but at the same time helping to ensure we are not solely reliant on the vagaries of the transfer market.

We have everything in place, including our Category 1 licence which means we can scout for younger players anywhere in the country, and not be restricted to local boundaries. However what we do not yet have, is the required infrastructure so that we can retain that precious and prestigious licence so vital for our future.

It is for this reason we are inviting not only our supporters but everyone in Norfolk (and beyond) to join us, not just in handing over money but investing in a Canaries Bond. This will in the long term, not just underwrite the finance needed for our Academy but at the same time ensure the future of what we all know is, the best football club in the world!

OTBC forever.

**Delia Smith & Michael Wynn Jones**

Joint Majority Shareholders



# OUR VISION & VALUES



**STRIVING TO BE AN  
ESTABLISHED PREMIER  
LEAGUE CLUB DRIVEN BY  
OUR PROUD, PASSIONATE  
FOOTBALL COMMUNITY**

## GROWTH

We are passionate about personal and team improvement; it drives our ambitions.

## BELONGING

We believe everyone is important, together we are stronger.

## PRIDE

We take pride in ourselves, our team, our tradition and our future.

## INTEGRITY

We are always honest, open and genuine.

## RESILIENCE

We stay true to our values, we learn from our challenges and we go again.

## COMMITMENT

We work hard, enjoy the journey and celebrate our successes together.

# OUR STRATEGY FOR THE FUTURE

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**OUR VISION IS TO BECOME AN ESTABLISHED PREMIER LEAGUE CLUB, DRIVEN BY OUR PROUD, PASSIONATE FOOTBALL COMMUNITY — AND IN 2017 WE INTRODUCED A DYNAMIC, MODERN STRUCTURE DESIGNED TO DELIVER THAT STRATEGY ON AND OFF THE PITCH.**

Off the pitch we are a self-sustaining football club thanks to the support of our business partners and most importantly our loyal fanbase, who continue to back us in impressive numbers both home and away. The Club believes that open and transparent communication with our supporters on major issues is paramount.

In January 2018 we signed a memorandum of understanding with our supporters' trust. We aim to continue working closely with them and all of our many supporter groups, as well as continuing to promote inclusivity through sport with our Community Sports Foundation and within the game with other relevant organisations.

On the pitch, led by Sporting Director Stuart Webber and First Team Head Coach Daniel Farke, our strategy centres on recruiting players with the hunger and desire to play for Norwich City, as we believe this is the most sustainable way to achieve our vision of establishing ourselves as a Premier League club.

To this end, we are also determined to continue to produce talented young players through our Academy as we feel they are more likely to have an attachment to Norwich City and will want to work the hardest to see their club succeed. Our Elite Player Performance Plan Category 1 status is critical to our ability to develop players to their maximum potential.

Our training ground at Colney has to have the best modern facilities to deliver the best support for both our first team and Academy players, and the Club is committed to continuing to develop the facilities for the long-term benefit of the Club.

In line with the strategy, we are looking to build new state-of-the-art facilities for our Academy at Colney and to give our supporters and community the opportunity to invest in Building Our Future.







# GROWTH



Jamal Lewis, 20



# CANARIES BOND AT A GLANCE

					
<b>TERM</b>	<b>INTEREST</b>	<b>PROMOTION BONUS</b>	<b>MINIMUM INVESTMENT</b>	<b>TARGET</b>	<b>APPLICATION DEADLINE</b>
<b>5 Year</b> initial fixed-term	<b>5% Interest (gross)</b> per annum payable in cash  <b>AND</b> <b>3% Interest (gross)</b> per annum payable in the form of Club Credit	<b>25% Cash Bonus</b> payable upon first promotion to the Premier League (one-off)	<b>£500 Minimum Investment</b> per application and thereafter in multiples of £500	<b>Target of £3,500,000</b> with the ability to issue up to £5,000,000 to satisfy demand	<b>23:59 Friday 25 May 2018</b>

## Group Structure (as at 8 March 2018)

Norwich City Football Club plc is the company through which the business operations of Norwich City professional football club are conducted. The Company has three wholly owned subsidiaries which constitute the Group: (i) N.C.F.C. (Holdings) Limited, a property holding company for the Group; (ii) Kerrison Holdings Limited which provides car park facilities and property development services for the Group; and (iii) Kerrison Developments Limited which is an investment holding company. In addition, the Company is the direct owner of 24.9% of the share capital of the security and stewarding company EventGuard Limited.

Delia A Smith and her husband and co-Director, Michael Wynn Jones are the majority shareholders jointly holding 53.1% of the issued capital of the Company.

**Bond Issuer:** Norwich City Football Club plc

**Transferability:** Canaries Bonds are non-transferable and cannot be traded

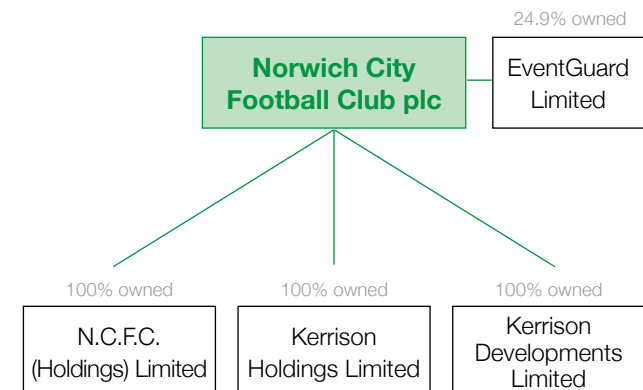
**Security:** Canaries Bonds are an unsecured debt of the Company

**Covenants** (Protections for Bondholders): The Company's financing structure provides protection for Bondholders against the Company:

- making certain payments, including dividends and other distributions other than to preference shareholders of the Company;
- entering into certain transactions with affiliates otherwise than on an arms-length basis;
- selling, leasing or transferring certain material assets outside of the Group; and
- undergoing a change of control.

These covenants are subject to important exceptions and qualifications. See "Canaries Bond—Certain Covenants" on page 33 for further details.

\* Full details of the terms of the Canaries Bonds can be found on page 33 (The Canaries Bond) and in the Bond Instrument.



# INVESTMENT RETURNS - CASH, CREDIT & PROMOTION BONUS

## CASH INTEREST

Over the five-year term, Bondholders will receive an annual cash payment equal to 5% of their invested principal. Interest will be paid within a two-week period from the anniversary of the issuance of the Canaries Bond. This interest is fixed over the term of the Bond.

## CLUB CREDIT

In addition to cash interest, Bondholders will also receive an annual payment in credit to be spent at the Club, equal to 3% of their invested principal. Club Credit will be redeemable via a Norwich City Academy membership card, which will be issued to all Bondholders. Each year's credit payment is valid for 12 months from the date of issue, and can be used as full or part payment for:

- Regular adult or concession match tickets
  - Matchday hospitality packages
  - Food & drink purchases from Carrow Road kiosks on matchdays
  - Official merchandise at the Club shop
  - Special Club events held at Carrow Road or other locations
- N.B. Club Credit cannot be redeemed as full or part-payment for season tickets.

## PROMOTION BONUS

If the Club achieves promotion to the Premier League within the five-year term of the Canaries Bond, Bondholders will receive a one-off cash bonus payment equal to 25% of their invested principal. The bonus payment will be paid once only, on 30 September following the Club's first promotion.

All Bondholders will receive a total of 8% interest (gross) per annum, comprised of 5% cash and 3% Club Credit. In addition, in the event of promotion to the Premier League within the term of the Bond, all Bondholders will receive a one-off 25% cash bonus.

INVESTMENT	ANNUAL CASH INTEREST	ANNUAL CREDIT INTEREST	PROMOTION BONUS
<b>£500</b>	£25	£15	£125
<b>£1,000</b>	£50	£30	£250
<b>£2,500</b>	£125	£75	£625
<b>£5,000</b>	£250	£150	£1,250
<b>£10,000</b>	£500	£300	£2,500
<b>£25,000</b>	£1,250	£750	£6,250
<b>£50,000</b>	£2,500	£1,500	£12,500
<b>£100,000</b>	£5,000	£3,000	£25,000
<b>£150,000</b>	£7,500	£4,500	£37,500
<b>£200,000</b>	£10,000	£6,000	£50,000
<b>£250,000</b>	£12,500	£7,500	£62,500

*Interest and bonus payments are subject to tax, please see page 35 (Taxation) for further details.*

# INVESTOR PRIVILEGES

<b>YELLOW</b> <b>£500</b>	<b>GREEN</b> <b>£1,000</b>	<b>BRONZE</b> <b>£2,500</b>	<b>SILVER</b> <b>£5,000</b>	<b>GOLD</b> <b>£10,000</b>	<b>PLATINUM</b> <b>£25,000</b>
<ul style="list-style-type: none"> <li>+ NCA Membership card; exclusive access to Academy news &amp; developments, results, interviews with players and staff</li> <li>+ Name on Investors' Wall at training ground</li> <li>+ Invitation to Academy Open Day including guided tour</li> <li>+ 2 tickets to every home pre-season friendly played during the Bond term</li> <li>+ Hospitality for 2 at a match of your choice every season (excluding top-tier fixtures)</li> <li>+ Invitation for 2 at Platinum table for annual NCA Awards dinner including Board &amp; 1st Team management</li> <li>+ Invitation for 2 to dine with the Directors in the Directors Lounge for a 1st team fixture with seats in Directors Box</li> </ul>	<ul style="list-style-type: none"> <li>+ NCA Membership card; exclusive access to Academy news &amp; developments, results, interviews with players and staff</li> <li>+ Name on Investors' Wall at training ground</li> <li>+ Invitation to Academy Open Day including guided tour</li> <li>+ 2 tickets to every home pre-season friendly played during the Bond term</li> <li>+ Hospitality for 2 at a match of your choice every season (excluding top-tier fixtures)</li> <li>+ Invitation for 2 at Platinum table for annual NCA Awards dinner including Board &amp; 1st Team management</li> <li>+ Invitation for 2 to dine with the Directors in the Directors Lounge for a 1st team fixture with seats in Directors Box</li> </ul>	<ul style="list-style-type: none"> <li>+ NCA Membership card; exclusive access to Academy news &amp; developments, results, interviews with players and staff</li> <li>+ Name on Investors' Wall at training ground</li> <li>+ Invitation to Academy Open Day including guided tour</li> <li>+ 2 tickets to every home pre-season friendly played during the Bond term</li> <li>+ Hospitality for 2 at a match of your choice every season (excluding top-tier fixtures)</li> <li>+ Invitation for 2 at Platinum table for annual NCA Awards dinner including Board &amp; 1st Team management</li> <li>+ Invitation for 2 to dine with the Directors in the Directors Lounge for a 1st team fixture with seats in Directors Box</li> </ul>	<ul style="list-style-type: none"> <li>+ NCA Membership card; exclusive access to Academy news &amp; developments, results, interviews with players and staff</li> <li>+ Name on Investors' Wall at training ground</li> <li>+ Invitation to Academy Open Day including guided tour</li> <li>+ 2 tickets to every home pre-season friendly played during the Bond term</li> <li>+ Hospitality for 2 at a match of your choice every season (excluding top-tier fixtures)</li> <li>+ Invitation for 2 at Platinum table for annual NCA Awards dinner including Board &amp; 1st Team management</li> <li>+ Invitation for 2 to dine with the Directors in the Directors Lounge for a 1st team fixture with seats in Directors Box</li> </ul>	<ul style="list-style-type: none"> <li>+ NCA Membership card; exclusive access to Academy news &amp; developments, results, interviews with players and staff</li> <li>+ Name on Investors' Wall at training ground</li> <li>+ Invitation to Academy Open Day including guided tour</li> <li>+ 2 tickets to every home pre-season friendly played during the Bond term</li> <li>+ Hospitality for 2 at a match of your choice every season (excluding top-tier fixtures)</li> <li>+ Invitation for 2 at Platinum table for annual NCA Awards dinner including Board &amp; 1st Team management</li> <li>+ Invitation for 2 to dine with the Directors in the Directors Lounge for a 1st team fixture with seats in Directors Box</li> </ul>	<ul style="list-style-type: none"> <li>+ NCA Membership card; exclusive access to Academy news &amp; developments, results, interviews with players and staff</li> <li>+ Name on Investors' Wall at training ground</li> <li>+ Invitation to Academy Open Day including guided tour</li> <li>+ 2 tickets to every home pre-season friendly played during the Bond term</li> <li>+ Hospitality for 2 at a match of your choice every season (excluding top-tier fixtures)</li> <li>+ Invitation for 2 at Platinum table for annual NCA Awards dinner including Board &amp; 1st Team management</li> <li>+ Invitation for 2 to dine with the Directors in the Directors Lounge for a 1st team fixture with seats in Directors Box</li> </ul>



A photograph of a football team in yellow and green kits huddled together on a pitch. The image is partially covered by a semi-transparent green overlay on the left side. The word "BELONGING" is written in large, white, bold, sans-serif capital letters across the middle of the image, overlapping both the team and the green overlay. The players' names and numbers are visible on their backs, including "MADDISON 27" and "4".

# BELONGING



# INTRODUCING NORWICH CITY FOOTBALL CLUB



Norwich City is a proud historic member of the English football landscape

A founding member of the Premier League in 1992, Norwich City is one of the most iconic and well supported clubs in English football and is instantly recognisable due to its famous canary-yellow home strip, worn by the Club since 1907.

Norwich City was formed following a meeting at the Criterion Cafe in Norwich on 17 June 1902, and played its first competitive match against Harwich & Parkeston at Newmarket Road on 6 September of that year.

Following election to the Southern League and with increasing crowds, the Club was forced to leave Newmarket Road in 1908, moving to The Nest, a disused chalk pit. In 1935, with The Nest struggling to cope with increasing attendances, the Canaries moved again, this time to Carrow Road.

Since then, the fans of Norwich City have packed out their home of nearly 85 years season after season, throughout the Club's highs and lows. As the pride of Norfolk, Norwich City is one of the best-supported clubs in the country with Carrow Road consistently boasting attendances of over 25,000.

As a founding member, the Canaries made a blistering start to the inaugural Premier League season, topping the table for much of the campaign and finishing third. This earned the Club a place in the UEFA Cup, where they became the only British team to have defeated Bayern Munich in the Olympiastadion; a result that remains one of the most famous in the Club's history and one of the bigger upsets in European football. Norwich City has had continued spells in the top flight from 2011-2014 and most recently in the 2015/16 season. During both stints in the Premier League, the Club upset the likes of Arsenal and Manchester United, creating countless new memories for their loyal fans.

As the area's only professional club, Norwich City's Academy has the responsibility of developing the best young local footballers, which it has great potential to do following retention of Category 1 status in 2016. As one of the best in England and the only one in the county, the Academy has produced some great players, past and present. Top players such as England Internationals Rob Green and Chris Sutton, along with Welsh International Craig Bellamy, are all products of the Norwich City Academy.

The most recent crop of youngsters to break into the first team include the likes of Jamal Lewis, Josh Murphy and Jacob Murphy, who was recently sold to Newcastle United for a club record fee. These budding talents are just another reminder that the Norwich City Academy has the potential to play a key role in the future of this famous Club.

**Norwich City Football Club is building for a sustainable future in the top flight of English football.**

# A CLUB WITH STRONG SUPPORT



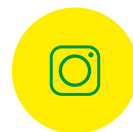
26,355 Average 2016/17 attendance



20,581 Season ticket holders



566,000 Twitter followers (3rd in the EFL)



78,600 Instagram followers (4th in the EFL)



805,000 Facebook followers (5th in the EFL)



20,900 Youtube subscribers



115,000 Email database



# NORWICH CITY - A HISTORY

## 1902-1939



Norwich City Football Club began life in 1902, playing its first official match against Harwich & Parkeston. But it wasn't until 1907 that the Club first donned its famous yellow and green strip, which it still wears today. It was in the same year that the Club's nickname was officially changed to 'the Canaries'. After entering the Football League in 1920 and being promoted to the Second Division in 1934, Norwich City moved from 'The Nest' to Carrow Road in 1935.

## 1945-1992



After the Second World War, Norwich City found itself in the third tier of English football. But even from there, the Club managed to reach the semi-finals of the FA Cup in 1959, the first ever Third Division side to do so. In the next year came promotion and in 1962, the Club registered its first major honours by defeating Rochdale 4-0 over two legs in the League Cup final. In 1972, Norwich City won promotion to the First Division and despite getting relegated in 1974, bounced straight back up and became an established First Division side. Despite winning another League Cup in 1985, Norwich City was again relegated to the Second Division and again bounced straight back up, maintaining top flight football through the First Division's evolution to the Premier League.



## 1993-2005

As a founding member of the Premier League, Norwich City Football Club topped the table for much of the inaugural season, eventually finishing third and qualifying for the UEFA Cup. It was in this European competition that the Canaries made history by becoming the only British club to have ever beaten Bayern Munich at the Olympiastadion. The 2-1 victory still stands as one of the bigger upsets in European football.

In 1996, the Club welcomed new directors, Delia Smith and Michael Wynn Jones, who went on to become the Club's majority shareholders. In 2004 the Club returned to the Premier League as First Division Champions.

## 2005-Present

Following a tough return season in the Premier League, Norwich City Football Club was again relegated to England's second tier. The Club slipped into the third tier in 2009, but once again demonstrated its resilience and character through back-to-back promotions and a return to the Premier League, where in 2012 and 2013 the Club finished comfortably mid-table having upset some of the more established top flight teams. Following relegation to the Championship in 2014, Norwich City bounced straight back up with a 2-0 Play-Off final victory against Middlesbrough at Wembley. The next season the Club registered a famous 2-1 victory at Old Trafford but once more found itself relegated.

Now seeking a return to the top of English football, the Club is looking to long-term plans and the development of youth talent to deliver sustained Premier League football for the Club and its community.

# PRIDE



Alfie Payne, 18

# NORWICH CITY - BOARD



## Delia Smith

### Joint Majority Shareholder

Delia Smith is Norwich City's joint majority shareholder, alongside her husband, Michael Wynn Jones.

Delia made her name as a cookery writer, author and television personality, and joined the Board of the Canaries in 1996. Her influence not only helped stabilise the then precarious financial predicament the Club found itself in, but also to develop off-field revenue streams, such as Canary Catering, to help the finances further.

A long-time Norwich City supporter before her official involvement with the Club, Delia is a passionate Canary and supporter of the Club and its Academy.



## Michael Wynn Jones

### Joint Majority Shareholder

Michael Wynn Jones is Norwich City's joint majority shareholder, alongside his wife, Delia Smith.

Michael made his name through publishing with his former company, New Crane Publishing Ltd. This produced the Sainsbury's Magazine, among others.

Also a long-time Norwich City fan, Michael rarely misses a match and is hugely passionate about the Canaries.



## Ed Balls

### Club Chairman

Former Cabinet Minister and lifelong Canaries fan Ed Balls was appointed as Chairman of the Board of Directors in December 2015.

Born in the Norfolk & Norwich Hospital and educated in Bawburgh, Nottingham, and then at Oxford University and the Harvard Kennedy School, Mr Balls left the Financial Times in 1994 to pursue a career in government.

A Labour MP for 10 years after 2005, he held a variety of senior positions during his political career, including Economic Secretary to the Treasury, Secretary of State for Children, Schools and Families, Shadow Home Secretary and Shadow Chancellor of the Exchequer.

Mr Balls is currently a Senior Fellow at Harvard University's Kennedy School of Government and a Visiting Professor at King's College, London. He undertakes his role at Norwich City in an unpaid capacity, alongside his ongoing academic, commercial, charitable and media activities.



# NORWICH CITY - BOARD



**Michael Foulger**  
Deputy Club Chairman

Michael Foulger is Chairman of Attleborough-based Banham Poultry, a family-owned firm which supplies chilled fresh chicken to butchers and food retailers throughout the UK.

He has also been a Board member for more than 20 years after joining as a Director in 1996 with Delia and Michael.

A lifelong Canaries fan, his vital financial support in the summer of 2009 paved the way for the pivotal signing of striker Grant Holt.



**Thomas Smith**  
Director

Lifelong Canaries fan Thomas Smith, who joined the Norwich City Board in January 2016, watched his first match at the old Den in 1989, having been taken to the game by his aunt and uncle, joint majority shareholders Delia Smith and Michael Wynn Jones.

Tom spent over a decade in the Civil Service in the UK and abroad, working in a variety of roles at the Ministry of Defence, the Cabinet Office and the Foreign and Commonwealth Office. After returning to the UK in late 2014, Tom left the public sector to start his own photographic business.

He is a passionate supporter and Trustee of City's Community Sports Foundation.



**Stephan Phillips**  
Director

Stephan Phillips is the former Managing Director of Archant Norfolk, having retired in 2011 after working for Archant, the UK's largest independent regional publisher, for 21 years. He is also a non-executive director of local companies Snellings Ltd and SBS Ltd. Prior to working at Archant he worked for the Thomson Corporation, CWS and Sainsbury's.

Stephan graduated from Nottingham Trent University and was awarded a Master of Science degree in marketing by the University of Glamorgan.

A keen fan of Norwich City for many years, before joining the Board he was a member of the Associate Directors' Group.

# NORWICH CITY - KEY MANAGEMENT



**Steve Stone**  
Managing Director

Steve Stone was appointed as Managing Director in March 2017, having previously worked as the Club's Director of Finance while also serving as Interim Chief Executive on two occasions.

First joining Norwich City in 2015, Steve previously held financial roles at Spirit Pub Company and Gala Bingo from 2005 onwards and is responsible for leading the business side of the Club.



**Stuart Webber**  
Sporting Director

Stuart Webber joined Norwich City to take the newly-created post of Sporting Director in April 2017 as part of a restructuring process at the Club. He moved to Carrow Road from Huddersfield Town, where he had held the position of Head of Football Operations since 2015.

Prior to joining the Terriers, Stuart spent two years as Head of Recruitment at Wolverhampton Wanderers following previous stints at Queens Park Rangers, Liverpool and Wrexham.

He leads all aspects of the Club's football strategy, including working with the Head Coach to identify players with the commitment and hunger to improve performances on the pitch.



**Daniel Farke**  
First Team Head Coach

Daniel Farke was appointed as First Team Head Coach of Norwich City in the summer of 2017.

The 41-year-old joined the Club from Borussia Dortmund II on a two-year deal, having led the German giants' reserve team to a second-place finish in the Regionalliga West in 2016-17.

Regarded as one of the most highly-rated young coaches in Germany, Daniel had previously spent six years with SV Lippstadt 08.



**Steve Weaver**  
Academy Manager

Steve Weaver joined Norwich City as Academy Manager in September 2017 and is responsible for overseeing all of the Club's youth teams up to and including the Under-18s and Under-23s.

Steve was previously at Huddersfield Town where he worked closely with Canaries' Sporting Director Stuart Webber. The two also worked together at Wolverhampton Wanderers and Wrexham.

# INTEGRITY



Josh Murphy, 23



# INTRODUCING THE NORWICH CITY ACADEMY



Tristan Abrahams, 19

Norwich City Academy is one of only 24 academies in England and Wales to hold EPPP Category 1 status

The Canaries Academy has produced household names from Chris Sutton and Craig Bellamy to recent graduates Josh and Jacob Murphy, Jamal Lewis and Angus Gunn.

The Elite Player Performance Plan (EPPP) was designed to improve the quality and quantity of home grown players. To achieve the highest category status under the EPPP requires significant commitment and resource.

Achieving Category 1 status is an indication of the quality of coaching, equipment, facilities and strategic development that are demonstrated by academies in this category. Being the only Category 1 Academy in our region gives us an advantage in attracting the best local players, with EPPP rules allowing clubs with Category 1 status to recruit players throughout the country.

As such, we have the ability to strengthen our squads by recruiting young talent from across the country – vital for any club looking to secure a strong pipeline of players. The EPPP rules also ensure that clubs receive significant compensation for young players who leave for bigger clubs.

Whilst the Club has been committed to maintaining Category 1 status it is important to note that productivity and facilities fall short of other academies in this category. However, we have a strong belief, which derives from the immense potential we possess, that the Academy can become more productive and develop more players capable of playing at the highest level. We want to be seen within the football world as genuine leaders in developing young talent and as a club that provides pathways and opportunities.

Improved training, sport science and education facilities are key to allowing us to make this vision a reality by providing us with an Academy which becomes a magnet for the best talent and the best developers of talent. We believe that there is potential to create something special at this football club where we can showcase all that is great about Norwich City. All we need now is a home to be proud of.

We believe that developing professional footballers requires hard work, dedication and long hours. We are working tirelessly behind the scenes to create a culture within the Club which helps to achieve this. There is no greater feeling for the staff than to see an Academy graduate make his debut and establish himself in the first team. To achieve this more often than we have seen in recent years, the Academy has to ensure that when opportunities arise, our own players are good enough and ready to make the step up.

Development of the training facilities provides us with the platform to achieve our goals with a base that gives us the opportunity to attract and create more and better home grown players.

**We aim to create that special bond between fans and their team that only comes when they see one of their own playing for the first team.**

# VISION FOR THE ACADEMY



Jordan Thomas, 18

At the heart of Norwich City's strategy are recruitment and development. The Academy is at the forefront of this. It's simple – attract and sign good players, put them in an environment and culture that develops good people, and in turn they will develop into great players.

Ensuring we have the right facilities is critical to creating that environment and culture, and to developing elite footballers who can compete at the highest levels of the game. Keeping Category 1 status for Norwich City is a key component of our plan, as the ultimate goal for our Academy is to attract and develop young players who will one day represent our first team and help us grow.

Over the last 12 months, we have been putting our plan into action and I believe our supporters, Board, staff and players can see that we have built a pathway for young players to grow and develop. For example, we have reduced the first team squad size and average age. We have brought on board a Head Coach who has a deep belief in young players. We have established clear succession and development plans for our young players.

This is now the Norwich City way. We will continue to grow and develop as we increase our investment and focus into the Academy, not just by spending money, but by devoting time and passion to the Academy as part of a 'one club' approach.

We have chosen to be innovative and creative in how we develop Colney and how we produce young players – this is a must for our short, medium and long term planning, to ensure we deliver the best for the Club.

This is a very exciting time. Our supporters may have sometimes felt a little uncertain when we've signed players they haven't heard of, or promoted young players they didn't know existed, but we ask fans to trust us and come on this journey with us. Yes, it will have some ups and some downs, but together we will build our future, make our Club stronger, and put us back where we belong.

**Stuart Webber**  
Sporting Director

# JAMAL LEWIS: THE ACADEMY AT ITS BEST



Under the guidance of Sporting Director Stuart Webber and new Academy Manager Steve Weaver, work at the Norwich City Academy has seen significant progress over recent months.

The inside track on Jamal Lewis's progress to the first team.

Jamal joined our Academy set-up in 2014 at the age of 16. In April 2017 Jamal was identified as a player who could make a real impact; however there was not a clear pathway in place for his progress and development to the first team.

Some major decisions were then made to give that ambition every chance of becoming a reality in the 2017/18 season. Firstly, we chose not to sign Mitchell Dijks, whose transfer would have cost the Club £3,000,000 and a five-figure weekly salary. Instead, we chose to recruit a left-back, James Husband, whose experience would provide Jamal with real competition but who would not block his pathway to first team action.

In July 2017 Jamal signed a new contract, demonstrating our commitment and belief in him. Unfortunately, Jamal picked up an injury just before the start of the season, which looked like it would keep him out for up to five months. Where other clubs may have invested in another left-back, we kept our belief in him and took the decision to recruit Marco Stiepermann, a midfielder who could also play at left back. This strategy meant that Jamal's position was left open for when he returned to full fitness.

Jamal's rehabilitation was managed by our dedicated and experienced sports science and medical team, which is led by our Head of Performance. The team used the time to progress Jamal in other physical areas, turning the obstacle of his injury into an advantage and demonstrating the benefits of our player-focussed approach. Arguably, Jamal was also then in better condition to make his first team debut, more so

than he may have been had he been playing matches week-in-week-out from the start of the season.

Every decision was taken collaboratively by Stuart, Steve and Head Coach Daniel Farke. In fact, it was Daniel who took the decision to transition Jamal directly to the first team changing room and provide him with match experience in pre-season to show his potential, to support him and grow his confidence.

This is now how we work at every level of our Club. We have a clear succession plan from the senior team down to the lower Academy age groups. We are always continually monitoring the players within our ranks to see who we can offer real opportunity to. Our structure enables our 'one club' approach, through which the Academy is able to breathe and prosper. Decisions are made with the medium and long-term in mind, not just the short-term.



# USE OF PROCEEDS

As one of only 24 EPPP Category 1 academies, we can recruit players from all over the country, and our teams compete against the very best in their age groups. The majority of the academies holding Category 1 status are Premier League clubs and this means that the level of competition is high. Being a Category 1 Academy is extremely important to the ambitions of Norwich City, and this means satisfying the independent auditors on key areas of delivery, including: productivity rates, training facilities, coaching, education and welfare provisions.

To help the Club deliver in these areas, construction has already begun on phase 1 of this redevelopment. Phase 1 will include new academy buildings that provide eight player changing rooms and two match official changing rooms.

## ACADEMY BUILDINGS (PHASE 2): £2,000,000

In addition to the development that comprises phase 1 (currently under construction), the ground floor of phase 2 of the Academy building project will include a further three changing rooms and associated support spaces (kit, boot and laundry rooms). There will also be two purpose-built physiotherapy rooms and a reception area for parents and players.

The upstairs accommodation, built on top of the phase 1 changing rooms, will include a players' lounge, three classrooms and support offices, medical facilities, a match analysis suite and an open plan administration base for up to 40 staff. The provision of this accommodation will release a number of modular buildings from the campus, allowing the car park areas to be re-landscaped and designated spaces to be provided.

The task of the Norwich City Academy is to produce young players who can improve our first team and compete at the highest levels of English football.

The Academy must also prepare these young players for life away from the pitch, encouraging behaviours that reflect the values of our Club and our community.



# USE OF PROCEEDS

## ACADEMY PITCHES: £1,200,000

At the far end of the Colney Training Centre the reconstruction of the Academy training pitches will improve the pitch quality to meet the standard of the current first team pitches. The area will be levelled and once a new drainage and irrigation system installed, the work will benefit the whole site for many years to come. The amount of usable area will increase by 15%. These vital improvements will deliver first-class training pitches that will be available for year-round usage.

## GYM: £500,000

A new purpose-built gym area will provide much-needed space for cardiovascular, core and strength-based training. The first floor mezzanine studio space will allow the freedom for group activity sessions.

While athletes' careers evolve and goals change, one constant is the demand for staying at the top of their game, and pushing it to new levels. The best way to do that is by unlocking potential while avoiding or recovering from injury which can be achieved with a new, more spacious gym.

By dividing into separate areas (weight room, gymnastic studio, cardio area, recovery, etc.), several players or teams can perform their units at the same time and thus work more efficiently on their physical development.

## CONSTRUCTION COSTS

Academy Buildings Phase 2	£2,000,000
Gym	£500,000
Academy Pitches	£1,200,000
<b>Total</b>	<b>£3,700,000</b>

## ADDITIONAL WORK

Should the Canaries Bond raise in excess of £3.7m, there are other projects that will benefit the Academy, for example we will look to construct a stand to accommodate 500 people alongside the first team training pitch at Colney. This addition will enable us to play more Under 23's games at Colney and provide our supporters with a better experience when watching games at the training ground. Creating this facility will also help us to better manage the use of the pitch at Carrow Road.



# FINANCIAL INFORMATION

## KEY PERFORMANCE INDICATORS

The Club uses a variety of performance measures in order to monitor and manage the business effectively. These are both financial and non-financial measures, as shown in the table opposite, and demonstrate the following:

- i. A strong level of season ticket sales regardless of division, which has also continued into both the 2017/18 and 2018/19 seasons based on most recent renewals information.
- ii. An average league attendance in excess of 95% of Carrow Road's capacity every season.
- iii. A reduction in player wages as a proportion of turnover following relegation from the Premier League, which has continued into the current 2017/18 season.
- iv. Cash management throughout the period to ensure that the Club operates within its overdraft facility but does not retain significant amounts of surplus cash; instead investing in the playing squad.
- v. Group operating profit excluding player trading fluctuates by season, depending on both league status and Premier League parachute payments. In 2014/15, a significant loss was recorded primarily because of promotion related payments.
- vi. An in-depth analysis of the Club's profit and loss statement, balance sheet and cashflows for the last three years is provided on the following pages.

The financial information included in this document has been extracted or derived without material adjustment from the audited financial statements of the Company and the consolidated Group.

The Group operates its business based on the principles of financial affordability and stable ownership. The Club has a policy of investing all surplus funds in the current and future playing squads, to help achieve its vision of becoming an established Premier League club.

KEY PERFORMANCE INDICATORS	2014/2015	2015/2016	2016/2017
	Championship	Premier League	Championship
Average league attendance	26,368	26,973	26,354
Season tickets sold	20,773	20,481	20,968
Player wage costs as a percentage of turnover	67%	55%	50%
Cash balance at the year end (£'000)	1,902	(2,599)	(382)
Group operating profit excluding player trading (£'000)	(9,176)	15,379	1,959



# FINANCIAL INFORMATION

## PROFIT AND LOSS ACCOUNT

- Turnover increased by £45.7m in 2015/16 as a result of a season in the Premier League. On relegation to the Championship in 2016/17, turnover fell by £22.5m, with the reduction being cushioned by the first of two annual parachute payments from the Premier League following relegation.
- Ticket sales and commercial revenues were also negatively impacted by relegation; the former because of less away fans visiting Carrow Road and the latter due to a reduction in shirt sponsorship revenues in the Championship.
- Operating expenses fluctuate relative to the division in which the Club are playing. The biggest driver is player salaries which increased from £48.5m in 2014/15 to £67.2m in 2015/16 and then reduced to £55.1m in 2016/17.
- Amortisation of player registrations also peaked in 2015/16 at £22.4m (2014/15: £13.1m and 2016/17: £16.5m) due to more expensive players being acquired during the Premier League season. Amortisation is also accounted for within operating expenses.
- The other operating expenses in relation to Carrow Road and the Colney Training Ground have remained constant over the period under review.
- Other operating income represents payments received for Club registered players who are loaned out to other clubs during a season. Higher fees were received for loan players during the Premier League season.

The trading performance of the Group over the last three full financial years is summarised below.

### NOTES TO THE FINANCIAL INFORMATION

The financial statements of the Group are prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

### CONSOLIDATED FINANCIAL STATEMENTS

The financial statements incorporate the financial statements of Norwich City Football Club plc and its subsidiary undertakings.

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEARS ENDED 30 JUNE	2015 (£'000)	2016 (£'000)	2017 (£'000)
	Championship	Premier League	Championship
Gate receipts and ticket sales	10,713	11,509	9,233
Broadcasting (FA & League income)	28,549	70,165	50,493
Media	148	139	142
Catering	4,065	4,370	4,263
Commercial	7,336	9,955	8,748
UEFA Solidarity & Prize Money	827	825	1,934
Other income	527	853	513
<b>Group turnover</b>	<b>52,165</b>	<b>97,816</b>	<b>75,326</b>
Operating expenses	(75,965)	(107,585)	(90,093)
Other operating income	1,467	2,741	566
Gain on disposal of players' registration	13,614	21,243	11,949
Impairment of freehold land	0	0	(370)
<b>Group operating profit / (loss)</b>	<b>(8,719)</b>	<b>14,215</b>	<b>(2,622)</b>
Share of operating profit in associate	8	4	4
Interest receivable and similar income	1,207	594	809
Interest payable and similar charges	(575)	(1,830)	(1,255)
<b>Profit / (loss) on ordinary activities before tax</b>	<b>(8,079)</b>	<b>12,983</b>	<b>(3,064)</b>
Taxation	2,767	(3,568)	317
<b>Profit / (loss) for the financial year</b>	<b>(5,312)</b>	<b>9,415</b>	<b>(2,747)</b>

# FINANCIAL INFORMATION

## PROFIT AND LOSS ACCOUNT (CONT'D)

- The gain on disposal of players' registration relates to the net surplus above the players' book value when they are sold. It is important to note that this does not equate to the cash received in the same period as it is usual for receipts to be phased across a number of years.
- Interest receivable and payable primarily corresponds to notional finance charges on player receivables and payables respectively as required by the Financial Reporting Standard, FRS102.

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEARS ENDED 30 JUNE	2015 (£'000)	2016 (£'000)	2017 (£'000)
	Championship	Premier League	Championship
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<b>Profit / (loss) for the financial year</b>	<b>(5,312)</b>	<b>9,415</b>	<b>(2,747)</b>

# FINANCIAL INFORMATION

## BALANCE SHEET

### Key elements of the Club's balance sheet are as follows:

- Intangible assets - players' registration costs amortised over the duration of the individual players' contracts.
- Tangible assets - Carrow Road stadium, adjoining land, Colney Training Ground and plant and machinery within these locations.
- Current assets - fell between 2016 and 2017 primarily due to a £10m reduction in debtors associated with the sales of player registrations.
- Current liabilities - fell between 2016 and 2017. This was primarily due to an £8.7m reduction in payments related to the purchase of player registrations.
- Share capital - has remained at a constant level throughout the period, and shareholders' funds have increased between 2015 and 2017 by £6.7m purely as a result of retained profits.

BALANCE SHEET AT 30 JUNE	2015 (£'000)	2016 (£'000)	2017 (£'000)
	Championship	Premier League	Championship
<b>FIXED ASSETS</b>			
Intangible assets	25,455	32,847	29,673
Tangible assets	28,967	29,165	27,534
Investment - associate undertaking	68	72	76
<b>TOTAL</b>	<b>54,490</b>	<b>62,084</b>	<b>57,283</b>
<b>CURRENT ASSETS</b>			
Stocks	1,614	1,263	993
Debtors	19,558	30,099	20,668
Cash at bank and in hand	1,902	83	1,449
<b>TOTAL</b>	<b>23,074</b>	<b>31,445</b>	<b>23,110</b>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
Bank overdrafts	0	(2,682)	(1,831)
Directors' loans	(1,989)	0	0
Trade creditors	(1,688)	(1,483)	(995)
Player creditors	(10,664)	(23,752)	(15,006)
Receipts in advance	(14,489)	(11,276)	(11,354)
Other taxes and social security	(5,769)	(9,656)	(7,546)
Corporation tax	0	(47)	0
4.5% 'B' Preference shares of £1 each	(1,421)	(1,430)	0
Dividends payable on shares classified as financial liabilities	(58)	(58)	(64)
Other creditors	(357)	(335)	(189)
Accruals and deferred income	(19,157)	(8,621)	(8,726)
<b>TOTAL</b>	<b>(55,592)</b>	<b>(58,340)</b>	<b>(45,711)</b>
<b>NET CURRENT LIABILITIES</b>	<b>(32,518)</b>	<b>(27,895)</b>	<b>(22,601)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>21,972</b>	<b>34,189</b>	<b>34,682</b>
Creditors: amounts falling due after more than one year	(2,054)	(1,981)	(5,058)
Deferred grant income	(1,799)	(1,714)	(1,626)
Provisions for liabilities	(1,673)	(4,633)	(4,884)
<b>NET ASSETS</b>	<b>16,446</b>	<b>25,861</b>	<b>23,114</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	617	617	617
Share premium	10,730	10,730	10,730
Revaluation and capital redemption reserves	105	105	105
Profit and loss account	4,994	14,409	11,662
<b>SHAREHOLDERS' FUNDS</b>	<b>16,446</b>	<b>25,861</b>	<b>23,114</b>



# FINANCIAL INFORMATION

## CASH FLOW STATEMENT

The key cash flows over the three years under review are explained as follows:

- There has been cash generated from operations in each of the three years under review. As would be expected, the Premier League season in 2015/16 generated the most cash.
- Interest paid was slightly higher in 2016/17 due to higher overdraft balances throughout the year than in the previous two years.
- In 2014/15, a corporation tax payment of £2.4m was made in respect of profits achieved in 2013/14. This was reclaimed by the Club in 2015/16 due to the losses made in 2014/15. Further losses were used to offset 2015/16 profits, resulting in a very small tax payment in 2016/17.
- “Purchase of intangible fixed assets” equates to payments made for the acquisition of player registrations. Note that each year, the figure relates to the cash paid, rather than the year in which the player was actually acquired by the Club.
- Cash spent on tangible fixed assets was higher in 2015/16 because of a 3G floodlit pitch built at the Colney Training Ground.
- “Proceeds from sale of intangible fixed assets” equates to receipts as a result of the sale of player registrations. This is based on the date of the cash receipt, rather than the year in which the player was actually sold by the Club.

CASHFLOW STATEMENTS FOR THE YEARS ENDED 30 JUNE	2015 (£'000)	2016 (£'000)	2017 (£'000)
	Championship	Premier League	Championship
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash from operations	626	8,212	1,277
Interest paid	(317)	(380)	(398)
Taxation (paid) / refund	(2,389)	2,739	(76)
<b>Net cash generated from operating activities</b>	<b>(2,080)</b>	<b>10,571</b>	<b>803</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of intangible fixed assets	(14,057)	(22,615)	(27,584)
Purchase of tangible fixed assets	(417)	(2,086)	(628)
Proceeds from sale of intangible fixed assets	11,377	11,612	29,662
Interest received	357	46	0
<b>Net cash generated / (used) from investing activities</b>	<b>(2,740)</b>	<b>(13,043)</b>	<b>1,450</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Financing element of proceeds from sale of intangible fixed assets	0	49	353
Financing element of purchase of intangible fixed assets	0	(31)	(337)
Issue of shares	3	0	0
Decrease in debt	(80)	(1,989)	0
Preference dividends paid	(58)	(58)	(52)
<b>Net cash generated / (used) from financing activities</b>	<b>(135)</b>	<b>(2,029)</b>	<b>(36)</b>
<b>Increase / (Decrease) in cash during the year</b>	<b>(4,955)</b>	<b>(4,501)</b>	<b>2,217</b>
Cash and cash equivalent at the beginning of the year	6,857	1,902	(2,599)
Cash and cash equivalent at the end of the year	1,902	(2,599)	(382)
Cash and cash equivalents comprise			
Cash at bank and in hand	1,902	83	1,449
Bank overdrafts	0	(2,682)	(1,831)
<b>TOTAL</b>	<b>1,902</b>	<b>(2,599)</b>	<b>(382)</b>

# FINANCIAL INFORMATION

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## GOING CONCERN

The Directors have produced detailed cash flow forecasts, considering all reasonably foreseeable potential scenarios and material uncertainties in relation to income and costs. Under all scenarios, based on these cash flow forecasts and expectations for player trading and the availability of future external finance as required from time to time, the Club can meet its liabilities as they fall due. The Directors have therefore concluded that it is appropriate for the financial statements to be prepared on a going concern basis.

## FINANCIAL OUTLOOK

In accordance with its long term vision, the Club is focused on returning to the Premier League, whilst at the same time ensuring that its future sustainability is secured. This requires a delicate balance between providing a consistently competitive first team squad whilst at the same time planning for the future, hence the requirement to invest in the Academy to develop future first team players.

During the 2018/19 season, the Club will be required to generate cash from player trading in order to compensate for operating cash shortfalls, unless promotion to the Premier League is achieved this season. From the 2019/20 season onwards, after a rebasing downwards of average player salaries following contract expiration for the remainder of those acquired during the Premier League seasons, we anticipate the Club to be cash-neutral on an operational basis, prior to any cash potentially generated from player trading.

A soccer player in a green kit is celebrating with his arms outstretched. The left side of the image is a solid green background. The word "RESILIENCE" is written in large white capital letters across the middle. The player is wearing a green jersey with "LeoVegas" and a club crest. He has a beard and is shouting with his mouth open.

# RESILIENCE

Angus Gunn, 22



# THE CANARIES BOND

For an initial investment of £500 or more, the Canaries Bonds will pay:

- interest at a rate of 8% (gross) per annum of which:
  - (i) 5% (gross) is payable in cash; and (ii) 3% (gross) is payable in the form of Club Credit; and
- a one-off Promotion Bonus of 25% (gross) in the event that the Club is promoted to the Premier League.

The minimum amount that must be raised in order for the Company to issue the Canaries Bonds is £2,000,000. If the minimum amount is not reached any subscription monies received will be returned, without interest, to the Applicant.

## Club Credit

In addition to the 5% cash interest per annum, the Canaries Bonds will pay 3% interest per annum in the form of Club Credit. This Club Credit can be used to purchase in full or gain a discount against:

- regular adult or concession matchday tickets
- matchday hospitality packages
- refreshments (food and beverages) from Carrow Road kiosks on matchday
- official merchandise at the Club's shop
- special Club events held at Carrow Road or other locations

Club Credit will be issued each year and must be used within 12 months of its issue. Club Credit cannot be redeemed against season tickets.

## Promotion Bonus

If the Club achieves promotion to the Premier League, a one-off Promotion Bonus of 25% will be paid to

The Canaries Bond has been designed as a straightforward investment whereby successful Applicants lend the Company money in return for a fixed rate of interest, paid annually, until their initial investment is repaid when the Canaries Bonds mature in five years' time.

Bondholders. This Promotion Bonus will be paid on 30 September in the year of promotion (following receipt of the first Premier League payment). The Promotion Bonus is only payable once during the term of the Canaries Bonds and only Canaries Bonds that are in issue at the time the Club is promoted will be eligible for the Promotion Bonus.

## Term

The Canaries Bonds have an initial fixed term of five years from the date of issue, subject to the Company's right to repay all or part of the Canaries Bonds early at any time after the first anniversary of the issue of the Canaries Bonds. In order to redeem Canaries Bonds, Applicants will need to give the Company six months' notice prior to the end of the initial five-year period, or any subsequent anniversary. If Applicants choose to continue to hold their Canaries Bonds for another year, they will do so on exactly the same terms. For however long Applicants choose to hold their Canaries Bonds, the interest will remain the same. On redemption, the Applicants' initial investment will be repaid in full, together with any accrued and unpaid interest.

## Relegation

In the event that the Club is relegated from its division of the EFL in the final year of the initial fixed term, the term shall automatically extend for one year and the Canaries Bonds shall instead be redeemable after the end of an initial six-year period.

## The Company and the Group

The Canaries Bonds will be issued by Norwich City Football Club plc, a public limited company incorporated in England with registered number 00154044 and with its registered address at Carrow Road, Norwich, NR1 1JE.

The Company is the operating company of the Club and the holding company for the Group. The Company's issued share capital consists of 616,913 ordinary shares, 9,675 5.25% 'A' preference shares and 14,186 4.5% 'B' preference shares. The key shareholders (shareholders over 10%) of the Company as of the date of this document are:

(i) Ordinary Shares - Delia A Smith and Michael Wynn Jones - 53% and Michael Foulger - 13%; (ii) A Preference Shares – Norwich City Supporters Society Limited – 11%, Norfolk Country Football Association Limited – 10%, and the Executives of EJ Chapman - 12%; and (iii) B Preference Shares: Delia A Smith and Michael Wynn Jones - 21% and Trustees of BPP Pension Fund - 14%.

The Group's assets, including the Carrow Road stadium and other land and buildings are recorded in the financial statements at £25.6 million and are held free of any charges or security. In the opinion of the Directors, the recoverable amount of such assets would exceed the book value included in the financial statements. The Group is free of external debt with the exception of the utilisation of a working capital facility provided by Barclays Bank.

## Use of Proceeds

Following the issuance of the Canaries Bonds, the funds raised will be used by the Company to fund the Academy projects specified on page 24 (Use of Proceeds).

## Security

The Canaries Bonds represent unsecured debt of the Company and the Canaries Bonds will not be guaranteed.

# THE CANARIES BOND

## Certain Covenants

The Company's financing structure provides protections for Bondholders as the Bond Instrument will restrict the ability of the Company to undertake certain actions and provide Bondholders with the option of having their Canaries Bonds repurchased after the occurrence of certain events.

For example, the Canaries Bonds restrict the Company from undertaking the following:

### Restricted Payments

- paying any dividend or making any other payment or distribution to its shareholders except dividends, distributions or redemptions in respect of the Preference Shares of the Company, thus preventing the potential leakage of cash from the Group to its shareholders; and

### Transactions with affiliates

- entering into any transactions with affiliates outside the Group involving an aggregate value in excess of £1m unless the terms are not materially less favourable to the Company than those that could be obtained in a comparable arm's-length transaction, thus preventing the potential leakage of cash or assets from the Group.

Additionally, the Canaries Bonds will become repayable at the option of Bondholders:

### Material Asset Sales

- at 101% of their principal amount, plus accrued interest, upon the occurrence of a Material Asset Sale. For these purposes a 'Material Asset Sale' means a sale, lease or transfer to a third party of the Club's Carrow Road stadium or Colney training facilities; and

## Change of control

- at 101% of their principal amount, plus accrued interest upon the occurrence of a Change of Control. For these purposes a 'Change of Control' means a change to the current majority shareholders of the Company.

## RESPONSIBILITY OF INVESTORS

Investors should read this Invitation Document and the Bond Instrument in full and should consult their Independent Financial Advisor if they are in any doubt about the terms of the Canaries Bonds. It is the responsibility of all prospective investors receiving this document and/or wishing to subscribe for Canaries Bonds to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory. The Company reserves the right to treat as invalid any agreement to subscribe for Canaries Bonds if it appears to the Company or Tifosy or their agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

## WHO CAN APPLY?

Individuals who are at least 18 years old when making their Application and also companies and charities can apply for the Canaries Bonds if they have completed the Appropriateness Questionnaire and they are not prevented by laws applicable to them from applying. Should individual investors wish to consider placing an investment in Canaries

Bonds into a SIPP, they will need to seek advice as to whether the specific terms of the SIPP arrangements permit this type of investment. If so, it is likely that the Applicant's SIPP provider will need to apply for the Canaries Bonds directly.

## WITHHOLDINGS AND DEDUCTIONS

All payments of interest made to a Bondholder in relation to an investment in the Canaries Bond will be made subject to the prevailing withholding tax at the Basic Rate (the "Basic Rate") (currently 20%) imposed in the UK by HMRC but otherwise free and clear of, and without withholding or deduction for, any other taxes, duties, assessments or governmental charges of whatsoever nature unless such withholding or deduction is required by law. If required, the Company shall make such further withholding or deduction. For the avoidance of doubt, the Company shall not be required to increase or gross-up any payment of principal or interest made to a Bondholder.

# TAXATION

The comments below are of a general nature and are not intended to be exhaustive. The precise tax treatment of each Bondholder will depend on the Bondholder's individual circumstances and law and practice in force at the relevant time and may, therefore, be subject to change in the future. Prospective applicants for Canaries Bonds are advised to consult their own Independent Financial Advisors concerning the tax consequences of the acquisition, ownership or redemption of the Canaries Bonds and any benefits derived thereon.

## INDIVIDUAL INVESTORS

The Company is required by HMRC to apply a withholding tax at the Basic Rate of income tax (currently 20%) on all payments of interest made to any Bondholder who is an individual in respect of their investment in Canaries Bonds. Where applicable, the Company will arrange for applicable basic rate tax due on such payments of interest to be deducted from each element of the interest payment made to each Bondholder and shall pay such amount to HMRC in cash on each Bondholder's behalf.

Therefore, a Bondholder who is subject to UK income tax at a rate not exceeding the Basic Rate is not liable for additional income tax on the total return on the Bond. A Bondholder who is subject to UK income tax at higher rates of income tax may be required to pay additional tax after taking into account tax withheld at source by the Company. A Bondholder who is not normally subject to tax in the UK may be entitled to claim repayment of the tax withheld at the Basic Rate by the Company directly from HMRC. The ultimate liability to tax in respect of the total return on the Canaries Bonds will depend upon the individual.

As an example, a Bondholder that has invested £5,000 and been allocated ten Canaries Bonds (£500 each) is liable to withholding tax at source and should expect to receive the following return:

Annual Interest (%)	Gross Interest (£)	Tax Withheld (£)	Net Received (£)
Cash Rate (5%)	£250	£50	£200
Club Credit Rate (3%)	£150	£30	£120
Annual Total Rate (8%)	£400	£80	£320

No liability to Capital Gains Tax should arise on the issue of the Canaries Bonds or their subsequent redemption. A holding of Canaries Bonds should form part of a Bondholder's estate for Inheritance Tax purposes. No Stamp Duty or Stamp Duty Reserve Tax will be payable on the issue of the Canaries Bonds or their subsequent redemption.

## CORPORATE INVESTORS AND CHARITIES

Corporate investors resident in the UK for corporation tax purposes should receive payments of interest gross as there is no withholding tax obligation. Such corporate investors may have to pay tax on the interest received at the applicable corporation tax rate according to their profits and status. If the Bondholder is a non-UK corporate, the Company is obliged to deduct tax at the Basic Rate. It may be possible for that Bondholder to benefit from reduced withholding tax on interest. Charities resident in the UK for UK tax purposes will also receive interest gross.



# RISK FACTORS

The Canaries Bond may not be a suitable investment for all recipients of this Invitation Document or the Bond Instrument. Each potential Applicant must determine the suitability of the investment in light of their own circumstances noting, in particular, that the capital value of Canaries Bonds will not appreciate.

The Company believes that the factors described below may affect its ability to fulfil its obligations under the Canaries Bond and represent the principal risks inherent in investing in Canaries Bonds. However, the Company may be unable to pay interest, principal or other amounts on or in connection with the Canaries Bonds for other reasons and the Company does not represent that the statements below regarding risks of holding Canaries Bonds are exhaustive. All of these factors are subject to uncertainty.

The performance of the Company may be affected by changes in legal, regulatory and tax requirements as well as the overall global financial and economic conditions.

## RISKS SPECIFIC TO THE CANARIES BOND

### *Non-transferable*

Canaries Bonds are not transferable or negotiable on the capital markets and no application is to be made for Canaries Bonds to be admitted to listing or to trading on any market.

### *Illiquid Investment*

Investment in an unquoted security of this nature, being an illiquid investment, is speculative, involving a degree of risk. It will not be possible to sell or realise Canaries Bonds or

In addition to the relevant information in this Invitation Document, your attention is drawn to the following specific factors which should be considered carefully in evaluating whether to make an investment in the Canaries Bond. If you are in doubt about the contents of this Invitation Document or the action you should take, you are strongly recommended to consult an Independent Financial Advisor who specialises in advising on investments in unlisted shares, bonds and other securities.

to obtain reliable information about the risks to which they are exposed.

### *No certainty of repayment*

The Canaries Bonds represent unsecured debt of the Company. If the Company was to become insolvent there is a risk that (a) some or all of the nominal amount of the Canaries Bonds will not be redeemed, and (b) some or all of the interest due on the Canaries Bonds will not be paid. The Canaries Bond is not protected from loss by the Financial Services Compensation Scheme or any other compensation scheme.

## RISKS SPECIFIC TO THE COMPANY AND THE CLUB

### *A failure to manage cash in line with agreed working capital facility limits could prevent the Company from repurchasing the Canaries Bonds when required to do so*

The Company aims to minimise financial risk and prepares 18 month rolling budgets and monitors actual performance against these budgets. In addition, the Company prepares rolling cash flow forecasts to make sure that cash is managed effectively. However, any failure to manage cash in line with this facility may mean that at final maturity, or in the event of acceleration of the Canaries Bonds following an event of default or upon the occurrence of certain events constituting a change of control, the Company may not have sufficient funds or may be unable to arrange for additional financing to repurchase the Canaries Bonds.

### *In the short term the Club will place reliance on player trading in order to generate income*

Further to its relegation in the 2015/16 season, the Club receives Premier League parachute payments which will come to an end during the financial year 2017/18. Save for a scenario where the Club is promoted back to the Premier League for the 2018/19 season, the Club will be required to generate income from player trading to compensate for any operating cash shortfall. In the event that the Club's player trading activities do not generate sufficient income, this may adversely affect the financial performance of the Club.

### *The performance of the Club has a direct impact on league status and position and ultimately revenue generation*

The revenues of the Company are heavily dependent on the success of the Club. A general decline in the performance of the Club could cause future revenues to be lower than expected. Significant sources of revenue are derived from strong performances by the Club in the Championship, the FA Cup and the League Cup and the level of income will vary dependent upon the Club's participation and performance in these competitions. The Club's success, financially and on the pitch, remains the greatest driver of sustainability for the Company in the long term.

# RISK FACTORS

## ***The Club's business is dependent upon its ability to attract and retain key personnel including players and team management***

The Club is highly dependent on members of its management, coaching staff and players. Competition for talented players and staff is, and will continue to be, intense. The Club's ability to attract and retain the highest quality players for its first team, reserve team and youth teams, as well as coaching staff, is critical to the Club's first team's success in league and cup competitions and increasing popularity and, consequently, critical to its business, results of operations, financial condition and cash flow.

## ***Negative high profile player or colleague issues could have a material adverse effect on the business, financial condition and results of operations of the Club***

The value, strength and success of the Club's brand and reputation depends directly on the playing reputation and performance of the Club and its relationship with third parties. The Club's brand and reputation are also integral to the implementation of our strategies for attracting new sponsors. Unfavourable publicity regarding the behaviour of the Club's players, employees or fans on and off the pitch could negatively impact its business, financial condition and results of operations.

## ***Supporter attendance levels at first team matches is a significant portion of the Club's overall revenue***

A significant portion of the Club's revenue derives from ticket sales and other matchday revenue for its home matches at Carrow Road and its share of gate receipts from cup matches. Match attendance is influenced by a number of factors, some of which are partly or wholly outside of the Club's control. These factors include the success of the

Club's first team, media coverage, public health, anti-social behaviour by fans or terrorist incidents, proper functioning and accessibility of transportation infrastructure, weather and general economic conditions. An inability to maintain or improve supporter attendance would have a material adverse effect on the Club.

## ***Reduction of central funding***

Reduced commercial revenues either negotiated by the Club or centrally by the EFL could have a material impact on the Club's profitability in the long term. Broadcasting and certain other revenues are derived from contracts to which the Club is not always a party and, as such, may not have any direct influence on the outcome of negotiations to such contracts. Consequently, future broadcasting and other contract negotiations may not be concluded in the way that would maximise revenue to the Club.

## ***Negotiation of key commercial contracts***

A significant part of the Club's revenue arises under commercial agreements negotiated and entered into with third parties. When these contracts do expire, there can be no assurance that the Club will be able to replace them with contracts on similar terms or at all.

A failure by the Club to comply with rules could result in it not being eligible to play in key competitions.

The Club's involvement in the Championship is regulated by the EFL and its rules, terms and conditions. A failure to comply with these rules could result in the Club being prevented from playing in the domestic league and cup competitions on which the Club relies for its income.

## ***Future regulation change could affect the Club***

No assurance can be given as to the impact of any possible change to the EFL regulations, the FA Regulations, and the regulations relating to European competitions. These regulations could cover areas such as: the format of competitions, the eligibility of players, and the division of broadcasting income. Any change in any of these areas could adversely affect the financial performance of the Club.

## ***There could be a downturn in the football industry as a whole***

There can be no assurance that football will retain its popularity as a sport, together with the associated levels of media coverage. If any such fall in popularity does occur, the financial position of the Club (along with other football clubs) may be adversely affected. This adverse effect may be the result of a reduction in the level of ticket sales, lower broadcasting revenue, reduced sponsorship income or a combination of one or more of these factors.

## ***Business interruptions due to health and safety concerns, terrorist attacks and natural disasters could adversely affect the Club***

The Club operates a matchday venue. A major incident, such as a terrorist attack, pandemic outbreak of illness, natural disaster or any other event which impacts upon the Club's mainframe systems, key central support functions or information technology systems could affect the Club's ability to trade and have an adverse impact on the Club's financial performance.

# RISK FACTORS

## *The UK's exit from the European Union may have a negative effect on economic and political conditions*

The UK held a referendum on its continued membership of the EU on 23 June 2016, the result of which was a majority vote for the UK to leave the EU. The UK government formally served notice of the UK's intention to leave the EU on 29 March 2017 in accordance with Article 50 of the Treaty on the European Union, marking the start of the process of the UK's withdrawal from the EU. The UK's exit from the EU has created significant uncertainty about the future relationship between the UK and the EU and could result in a downturn due to economic and political instability in the UK. The Club is exposed to any economic downturn which could affect consumer trends in the UK. The Company is subject to changes in inflation and interest rates and other economic factors affecting its business and over which it has no control. The Club, like any trading business, is susceptible to the general economic climate and spending patterns of its fans.

## GENERAL

The foregoing risk factors are not exhaustive and do not purport to be a complete explanation of all of the risks and significant considerations involved in investing in the Canaries Bonds. Accordingly, and as noted above, additional risks and uncertainties not presently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on the Company's business and prospects.

In particular, each potential Applicant should: (a) either alone, or with the assistance of an Independent Financial Advisor, have sufficient knowledge and experience to make a meaningful evaluation of the Canaries Bonds, the merits and risk of investing in Canaries Bonds and the information contained in this Invitation Document; (b) have sufficient

financial resources and liquidity to bear all of the risks of an investment in Canaries Bonds; (c) either alone or with the assistance of a financial advisor understand thoroughly the terms of the Canaries Bonds; and (d) be able to evaluate, either alone or with the assistance of an Independent Financial Advisor, potential scenarios, including changes in economic conditions, interest rates and other factors that may affect their investment and ability to bear the applicable risks.

Potential Applicants should also take their own tax advice as to the consequences of owning Canaries Bonds in the Company as well as receiving funds from them. No representation or warranty, express or implied, is given to Bondholders as to the tax consequences of their acquiring, owning or disposing of any Canaries Bonds and neither the Company or its Directors will be responsible for any tax consequences for any such investor.





# TERMS AND CONDITIONS

This Invitation Document, your Application and/or your participation in the Canaries Bond, is conditional upon and subject to:

1. The Company having received Applications from potential investors to subscribe for Canaries Bonds amounting to, in aggregate, no less than £2,000,000 by no later than the Closing Date.
2. Your completed online Application being submitted together with payment made by debit card, bank transfer or cheque (such cheque to be GBP made payable to Norwich City Football Club plc), including your Application reference number, by no later than the Closing Date.
3. The Company having accepted your Application for a multiple of £500 of Canaries Bonds (subject to a minimum amount of £500 per Application).
4. Your acknowledgment that all Applications are made on the terms and conditions contained in this Invitation Document and the Bond Instrument. In particular, by making your Application, you will be deemed to acknowledge and confirm that:
  - a. you are not relying on any information given or any representations, warranties, agreements or undertakings (express or implied), written or oral, or statements made at any time by the Company other than as contained in this Invitation Document and the Bond Instrument and that, accordingly, none of the Company, its Directors, officers, agents, employees, or advisors or any person acting on behalf of any of them shall have any responsibility for any such other information or representation;
  - b. you are not relying on the Company to advise whether or not the Canaries Bonds are a suitable investment for you;
  - c. you are: (i) an individual who is at least 18 years old; or (ii) a company or charity, resident in a country where you may legally receive financial promotions of the nature of this Invitation Document. Applications from persons who do not provide a valid address or are under the age of 18 at the date of submitting their Application will not be accepted;
  - d. you are entitled to make your Application and to be issued with Canaries Bonds in respect thereof under the laws of and rules of any governmental body located in any jurisdiction which apply to you;
  - e. any order specified in your Application will, if not cancelled within the 14 day cooling-off period, become an irrevocable contract to invest between you and the Company;
  - f. as a consequence of making an Application that is ultimately successful, you will become a Bondholder subject to the terms of the Bond Instrument;
  - g. you are a person within the class of persons listed in FCA COBS Rule 4.7.7 (being (a) certified as a 'high net worth investor', (b) certified as a 'sophisticated investor', (c) self-certified as a 'sophisticated investor', or (d) certified as a 'restricted investor'). For ease of reference, by completing the Appropriateness Questionnaire prior to having been supplied or otherwise given access to this Invitation Document, you have confirmed that you are one of the category of persons (a) to (d) above and, as such, are permitted to receive this Invitation Document and apply for Canaries Bonds;
  - h. Tifosy is not acting for you or any other Applicant in respect of investment in Canaries Bonds and will not be responsible to you or any other Applicant or investor for providing protections afforded to clients of Tifosy or for advising on the relevant transaction;
  - i. you are aware that it is up to you to seek advice from someone who specialises in advising on investments in unlisted shares, bonds and other securities;
  - j. you are not entitled to be paid any commission in relation to your Application;
  - k. you and funds under your management are not engaged in money laundering;
  - l. you are making your Application on your own behalf and for no other person;
  - m. the Company may contact you by post or email in relation to certain offers or opportunities relating to the Company and/or the Canaries Bonds;
  - n. the opportunity to invest in Canaries Bonds is scheduled to close on the Closing Date but may be closed earlier if the Company so determines.

Nothing in this Invitation Document or the Bond Instrument will restrict the Company's liability for fraud.

## MONEY LAUNDERING

It is also a term of your Application that, to ensure compliance with the Money Laundering Regulations, Tifosy may, at its absolute discretion, require verification of your identity. If within a reasonable time after a request for verification of identity, satisfactory evidence has not been supplied, Tifosy may, at its absolute discretion, reject your

# TERMS AND CONDITIONS

Application in which event the funds in respect of your Application will be returned to you without interest and at your own risk.

## DATA PROTECTION ACT 1998

Pursuant to the Data Protection Act 1998 (the “DP Act”) Tifosy, may hold personal data (as defined in the DP Act) relating to Bondholders. Such personal data held is used by Tifosy to maintain mailing lists and this may include sharing such data with third parties. Personal data may be retained on record for a period exceeding six years after it is no longer used.

## TERMS OF APPLICATION – PROCESS AND TIMETABLE

Applications for Canaries Bonds must be made online at [www.tifosy.com/canaries](http://www.tifosy.com/canaries) or [www.tifosy.com/canaries-priority](http://www.tifosy.com/canaries-priority). You will then need to complete a short Appropriateness Questionnaire before you can submit your Application. Subject to providing answers which are satisfactory to the Company and Tifosy, you can then submit your online Application together with payment (by way of debit card, bank transfer or cheque) in respect of the full amount of the Canaries Bonds that you are applying for by the Closing Date.

The Canaries Bonds offer will close on the Closing Date being 23:59 on Friday 25 May 2018. However, the Company or Tifosy may close the campaign earlier if it so determines.

You have the right to cancel your Application at any time within 14 days of receipt of your completed Application (the “Cancellation Period”). If you contact Tifosy before then,

Tifosy will liaise with the Company to arrange for the refund of your payment. If you wish to cancel your Application, you should email [canaries@tifosy.com](mailto:canaries@tifosy.com). After the expiry of the Cancellation Period, your Application will become an irrevocable contract to invest between you and the Company and will not be capable of being terminated or rescinded.

Please note that the decision to accept your Application, in whole or in part, is at the sole and unreserved discretion of the Company. You will be informed in writing if your Application has been successful, in whole or in part, within 21 days of the Closing Date. In the event that your Application has been successful you will receive a Bond Certificate in respect of the Canaries Bonds that have been issued to you.

If your Application is not successful a refund to your debit card or bank account for the amount of your Application (without interest) will be sent to you within 21 days of the Closing Date. If your Application is successful in respect of only some of the Canaries Bonds you applied for, you will receive a Bond Certificate for part of the amount and a refund for the balance of the amount of your Application.

If you have any questions relating to the procedure for making an Application, please email [canaries@tifosy.com](mailto:canaries@tifosy.com) or contact Tifosy on +44 (0)20 7349 0622. Please note that Tifosy will only be able to provide information contained in this Invitation Document and will be not able to advise on the merits of the Invitation Document or as to whether you should make an Application or to provide any financial, legal, tax or investment advice.



# QUESTIONS AND ANSWERS



## **Q. How many Canaries Bonds can I apply for?**

A. The minimum amount of Canaries Bonds for which you can apply is £500. You can, subject to availability, apply for as many Canaries Bonds as you wish, in increments of £500.

## **Q. How much is being raised?**

A. The Company is aiming to raise £3,500,000 by the issue of the Canaries Bonds. The minimum amount that must be reached in order for the Company to issue the Canaries Bonds is £2,000,000.

## **Q. Who can invest in Canaries Bonds?**

A. Any individual of at least 18 years of age or a company or charity that satisfies the conditions of Application and completes the Appropriateness Questionnaire can invest in the Canaries Bonds.

## **Q. Can I pay by instalments or top up my holding of Canaries Bonds?**

A. No, unfortunately you will not be able to pay for your Canaries Bonds in instalments, nor can they be topped up. All Applications must be accompanied by an online debit card payment, bank transfer or cheque for the full amount of Canaries Bonds applied for. The Company is unable to accept Applications that are not accompanied by payment for the full amount of Canaries Bonds applied for.

## **Q. Can I change my mind?**

A. Yes, there is a cooling-off period of 14 days, which begins on the date your completed Application has been received. You have the option to cancel your investment within this period by emailing [canaries@tifosy.com](mailto:canaries@tifosy.com), in

which case your money will be returned and no interest will be payable. After 14 days, your Application will be irrevocable and will not be capable of being terminated or rescinded by you.

## **Q. What return do I receive on my investment and is the interest rate fixed?**

A. The Canaries Bonds will yield a fixed return on your initial investment of 8% (gross) per annum comprised of 5% in cash and 3% in Club Credit. Interest is paid annually. In the event that the Club is promoted to the Premier League you will also be paid a one-off Promotion Bonus of 25% (gross) of your initial investment.

## **Q. How does the Promotion Bonus work?**

A. The Canaries Bonds will pay a one-off Promotion Bonus of 25% in the event that the Club is promoted to the Premier League during the term of the Canaries Bond. This bonus will be paid by the Company following receipt of the first Premier League payment in the year of promotion. The Promotion Bonus will only be paid a maximum of one time. If the Canaries Bond has been redeemed or the Club is not promoted during the term of the Canaries Bond, the Promotion Bonus will be not be paid.

## **Q. Will I be taxed on my returns?**

A. If you are a private investor then all interest paid on the Bonds is subject to withholding tax at 20%. This amount will be withheld by the Company at source and paid to HMRC on your behalf. Investments made through a UK corporate may be paid interest gross and should be accounted for by such corporate as part of its



# QUESTIONS AND ANSWERS

corporation tax return. It is your responsibility to report the interest on your tax return as appropriate and pay or reclaim any tax that may be due.

## **Q. Are the Canaries Bonds transferable?**

A. No, the Canaries Bonds are not transferable and they cannot be sold or traded. The interest coupon and redemption of principal are payable to the original Bondholder.

## **Q. How do I get my money out?**

A. After the initial fixed term, if you so choose and upon six months' notice being given by you, the Company will repay your Canaries Bonds in full. In order to redeem your Canaries Bonds, simply submit an electronic notice of redemption from within your Tifosy Profile at least six months prior to the redemption date (being the end of the initial fixed term or a subsequent 12-month period). The initial fixed term of the Canaries Bonds is five years. However, in the event that the Club is relegated from its division of the EFL in the final year of the five-year term, the term shall extend for one year and the Canaries Bonds shall be redeemable after the end of an initial six-year period instead.

## **Q. Can I continue to hold my Canaries Bonds after the initial fixed-term?**

A. Yes. Until a completed notice of redemption is submitted, your holding of Canaries Bonds will automatically continue on the same terms (and the interest rate will remain the same). The Company reserves the discretion to repay all or part of the Canaries Bonds at any time after the first anniversary of their issue.

## **Q. Can I withdraw my money before the end of the initial term?**

A. Unfortunately not, the Canaries Bonds are issued for an initial five-year term and are non-transferable and non-convertible. The Company reserves the discretion to repay all or part of the Canaries Bonds at any time after the first anniversary of their issue.

## **Q. What happens if the Canaries Bond is over-subscribed?**

A. The Company reserves the absolute discretion as to whether to accept your Application for Canaries Bonds in whole or in part (in multiples of £500 subject to a minimum amount of £500 per Application). Should the Company only accept your Application in part, the balance of the amount paid by you in respect of the Canaries Bonds which were not issued to you would be repaid to you.

## **Q. Do I need to discuss an investment in Canaries Bonds with a financial advisor?**

A. You are strongly recommended to seek the advice of an Independent Financial Advisor.

## **Q. What happens if I die while I hold a Canaries Bond?**

A. Any Canaries Bonds held by you would form part of your estate and title to them would initially be held by your executors or administrators of your estate. Your executors or administrators would hold the Canaries Bonds until transferring the title of the relevant Canaries Bonds to the intended beneficiary by sending the Company and Tifosy an executed transfer in a form reasonably acceptable to the Company and Tifosy.

## **Q. Does holding a Canaries Bond mean that I have shares in the Company?**

A. No, Canaries Bonds are not convertible into shares and as a Bondholder you do not have any ownership interest in the Company. It is an unsecured loan for a fixed period, paying a fixed rate of interest.

## **Q. I would like to participate – what do I do now?**

A. To make an Application please go to [www.tifosy.com/canaries](http://www.tifosy.com/canaries) or [www.tifosy.com/canaries-priority](http://www.tifosy.com/canaries-priority). Please note that you will need to complete a short Appropriateness Questionnaire. This is a requirement of the FCA rules to ensure that you understand the nature of the investment you wish to make and the associated risks. The Appropriateness Questionnaire can be accessed online by going to [www.tifosy.com/canaries](http://www.tifosy.com/canaries) or [www.tifosy.com/canaries-priority](http://www.tifosy.com/canaries-priority). Subject to supplying answers that are satisfactory to the Company and Tifosy, you will then be able to submit your Application and make a payment by debit card, bank transfer or cheque in respect of the full amount of Canaries Bonds applied for. For further details please see page 43 (Applications & How to Apply).

# APPLICATIONS & HOW TO APPLY

The Company intends to open the public Application Period on 28 March 2018 but will permit certain private investors to submit Applications prior to this date. The Company reserves the absolute discretion as to whether or not to accept your Application for Canaries Bonds in whole or in part. The minimum investment is £500 and the Company will only issue Canaries Bonds in multiples of £500 thereafter.

All Applicants, whether successful or not, will be notified within 21 days of the Closing Date as to the number of Canaries Bonds (if any) they have been allocated. If unsuccessful in whole or in part, the Company will return the balance of the amount paid by you in respect of the Canaries Bonds which were not issued to you within 21 days of the Closing Date without interest and at your risk.

## APPLYING ONLINE

To apply, simply access the online Application via the Tifosy website at [www.tifosy.com/canaries](http://www.tifosy.com/canaries) or [www.tifosy.com/canaries-priority](http://www.tifosy.com/canaries-priority) and follow the on-screen instructions to complete your Application and make your payment by debit card, bank transfer or cheque. Should you wish to pay by way of bank transfer or cheque, please remember to include your Application reference number on the transfer or cheque in order to avoid any delay in assigning your funds to your Application.

Applications will be accepted on a first-come, first-served basis until 23:59 on Friday 25 May 2018. Demand for Canaries Bonds may exceed the supply available.

## WALK-IN APPLICATIONS / DROP-IN CLINICS

The Club intends to provide supporters with the opportunity to walk-in and make their online application at the Carrow Road stadium. The Club will make resources available at specified times with further details to be announced.

The Closing Date for the receipt of all Applications is 23.59 on Friday 25 May 2018.

## ALL PAYMENTS MUST BE MADE IN GBP BY DEBIT CARD OR BANK TRANSFER AND WILL BE PAID OR PRESENTED UPON RECEIPT.

Should you have any issues in applying please seek further information by emailing [canaries@tifosy.com](mailto:canaries@tifosy.com) or contact Tifosy on **+44 (0)207 349 0622** between 09:30 and 17:30 Monday to Friday.

Please note that Tifosy will only be able to provide information contained in this Invitation Document and will be unable to advise on the merits of making an Application or to provide you with any financial, legal, tax or investment advice.



# GLOSSARY AND DEFINITIONS

**“Applicant”** means a person who makes an Application (whether or not such Application is successful in whole or in part);

**“Application”** means an application made through the Tifosy platform to subscribe for Canaries Bonds;

**“Appropriateness Questionnaire”** means the investor categorisation and experience and knowledge questionnaire that potential Applicants must successfully complete through the Tifosy platform prior to making an Application;

**“Basic Rate”** means the basic rate of income tax set by HMRC from time to time which at the date of this document is 20%;

**“Bond Certificate”** means the certificate evidencing Canaries Bonds to be issued by the Company to a successful Applicant and Bondholder;

**“Bond Instrument”** means the instrument of the Company (as issuer) creating the Canaries Bonds;

**“Bondholder”** a registered holder of a Canaries Bond;

**“Business Day”** any day which is not a Saturday or Sunday or public holiday in England in which clearing banks are open for business in London;

**“Canaries Bond(s)” or “Bond(s)”** means the five year initial fixed-term, non-convertible, non-transferable, unsecured bonds of the Company;

**“Championship”** means the EFL Championship division;

**“Closing Date”** means 23:59 on Sunday 25 May 2018 (or such later time as may be specified by the Company and Tifosy) being the date by which applications for Canaries

Bonds (together with payment in respect of the same) must be received;

**“Club”** means the English professional football club Norwich City Football Club;

**“Club Credit”** means credit which can be used to purchase in full or gain a discount against: (i) regular adult or concession matchday tickets (ii) matchday hospitality packages (iii) refreshments (food and beverages) from Carrow Road kiosks on matchday; and (iv) official merchandise at the Club’s shop; and (v) special Club events held at Carrow Road or other locations;

**“COBS”** means the Conduct Of Business Sourcebook produced by the FCA;

**“Company”** means Norwich City Football Club plc, a public limited company incorporated in England with registered number 00154044 and with its registered address at Carrow Road, Norwich, Norfolk, NR1 1JE;

**“Directors” or “Board”** means the directors of the Company or the board of directors of the Company;

**“EFL”** means the English Football League which is responsible for administering and regulating the Championship, League One, League Two as well as certain cups and reserve and youth football;

**“FA Regulations”** means the rules and regulations of the Football Association of England;

**“FCA”** means the UK Financial Conduct Authority;

**“Financial Services Compensation Scheme”** means the UK’s independent body set up under FSMA to provide a statutory fund of last resort for customers of financial

services firms;

**“FSMA”** means the UK Financial Services and Markets Act 2000 (as amended);

**“GBP” or “£”** means the lawful currency of the United Kingdom;

**“Group”** means the Company and each of its subsidiary companies from time to time;

**“HMRC”** means Her Majesty’s Revenue & Customs;

**“Money Laundering Regulations”** means the UK Money Laundering Regulations 2007, as amended;

**“Preference Shares”** means the 5.25% ‘A’ Preference Shares and the 4.5% ‘B’ Preference Shares in the capital of the Company;

**“Promotion Bonus”** means the one-off Promotion Bonus of 25% payable on the Canaries Bonds in the event that the Club is promoted to the Premier League;

**“SIPP”** means a Self Invested Personal Pension;

**“Tifosy”** means Tifosy Limited a company incorporated in England and Wales with registered number 08504907 and with its registered address at Studio 7, 75-81 Burnaby Street, London SW10 0NS which is authorised by the FCA to arrange deals and investments (Ref No: 717605);

**“Tifosy Profile”** means the section of the website provided by Tifosy wherein Bondholders can access information relating to holdings of Canaries Bonds;

**“UK” or “United Kingdom”** means United Kingdom of Great Britain and Northern Ireland.

# COMMITMENT





# CONTACTS

## Issuer

### **NORWICH CITY FOOTBALL CLUB PLC**

Registered Address:  
Carrow Road,  
Norwich,  
Norfolk,  
NR1 1JE

## FCA Authorised Person

### **TIFOSY LIMITED**

Registered address:  
Studio 7,  
75-81 Burnaby Street  
London SW10 0NS

