



162

FINANCIAL AREA

**YEARLY ACCOUNTS 08/09**

# FUTBOL CLUB BARCELONA

## BALANCE SHEET AT 30 JUNE 2009

(Thousands of Euros)

ASSETS	Note	30/06/2009	EQUITY AND LIABILITIES	Note	30/06/2009
<b>NON-CURRENT ASSETS:</b>			<b>EQUITY:</b>	<b>Nota 13</b>	
<b>Intangible assets-</b>		<b>125.446</b>	<b>SHAREHOLDERS' EQUITY-</b>		<b>17.291</b>
Sporting intangible assets	<b>Nota 5</b>	122.870	<b>Endowment Fund -</b>		<b>12.778</b>
Software	<b>Nota 6</b>	2.576	Endowment Fund		12.778
<b>Property, plant and equipment-</b>	<b>Nota 7</b>	<b>113.605</b>	<b>Reserves-</b>		<b>(2.139)</b>
Stadium and sporting facilities		87.182	Other reserves		(2.139)
Other land and buildings		17.707	<b>Profit/Loss for the year</b>		<b>6.652</b>
Other items of property, plant and equipment		6.253	<b>GRANTS, DONATIONS OR GIFTS</b>		
			<b>AND LEGACIES RECEIVED-</b>		<b>3.553</b>
Advances and property, plant and equipment in the course of construction		2.463	Grants, donations or gifts and legacies received		3.553
<b>Investment property-</b>	<b>Nota 8</b>	<b>20.401</b>	<b>Total equity</b>		<b>20.844</b>
Land		20.401			
<b>Non-current financial assets-</b>	<b>Nota 10.1</b>	<b>65.980</b>	<b>NON-CURRENT LIABILITIES:</b>		
Loans to third parties		30.347	<b>Long-term provisions-</b>	<b>Nota 14.1</b>	<b>61.131</b>
Other financial assets		35.633	Other provisions		61.131
<b>Deferred tax assets</b>	<b>Nota 16.6</b>	<b>24.661</b>	<b>Non-current payables-</b>	<b>Nota 15.1</b>	<b>44.003</b>
<b>Total non-current assets</b>		<b>350.093</b>	Sporting entities debt		39.925
			Other financial liabilities		4.078
<b>CURRENT ASSETS:</b>			<b>Deferred tax liabilities</b>	<b>Nota 16.6</b>	<b>1.803</b>
<b>Non-current assets classified as held for sale</b>	<b>Nota 11</b>	<b>4.531</b>	<b>Non-current accruals and deferred income</b>	<b>Nota 17</b>	<b>22.440</b>
<b>Trade and other receivables</b>	<b>Nota 10.3</b>	<b>134.012</b>	<b>Total non-current liabilities</b>		<b>129.377</b>
Sporting entities		10.866			
Other debtors		118.947	<b>CURRENT LIABILITIES:</b>		
Employee receivables		896	<b>Current payables-</b>	<b>Nota 15.2</b>	<b>29.795</b>
Current tax assets	<b>Nota 16.1</b>	333	Bank borrowings		29.788
Other accounts receivable from public authorities	<b>Nota 16.1</b>	2.970	Other financial liabilities		7
<b>Short term financial investments-</b>	<b>Nota 10.2</b>	<b>7.531</b>	<b>Trade and other payables-</b>	<b>Nota 15.3</b>	<b>246.569</b>
Other loans due to sold assets		7.071	Payable to suppliers		70.473
Other loans		460	Other creditors		4.903
<b>Current prepayments and accrued income</b>	<b>Nota 17</b>	<b>3.708</b>	Sporting entities payable	<b>Nota 15.3</b>	49.859
<b>Cash and cash equivalents-</b>		<b>10.269</b>	Remuneration payable		60.372
Cash		10.269	Other accounts payable to public authorities	<b>Nota 16.1</b>	60.962
<b>Total current assets</b>		<b>160.051</b>	<b>Current accruals and deferred income</b>	<b>Nota 17</b>	<b>83.559</b>
<b>TOTAL ASSETS</b>		<b>510.144</b>	<b>Total current liabilities</b>		<b>359.923</b>
			<b>TOTAL PATRIMONI NET I PASSIU</b>		<b>510.144</b>

The accompanying Notes 1 to 25 are an integral part of the balance sheet at 30 June 2009.

**INCOME STATEMENT FOR THE PERIOD ENDED AT 30 JUNE 2009**

(Thousands of Euros)

	Notes	Period 2008/09
<b>CONTINUING OPERATIONS:</b>		
<b>Revenue-</b>	<b>Note 19.1</b>	<b>343.033</b>
Service providing revenue		343.033
<b>Procurements-</b>		<b>(5.601)</b>
Other procurements		(5.437)
Impairment of goods held for resale, raw materials and other supplies	<b>Note 12</b>	(164)
<b>Other operating income-</b>	<b>Note 19.2</b>	<b>22.878</b>
Non-core and other current operating income		22.807
Income-related grants transferred to profit or loss		71
<b>Staff costs-</b>	<b>Note 19.3</b>	<b>(201.312)</b>
Sporting staff wages		(172.989)
Regular staff wages		(21.288)
Employee benefit costs		(7.035)
<b>Other operating expenses-</b>		<b>(92.263)</b>
Outside services	<b>Note 19.4</b>	(65.218)
Taxes other than income tax		(1.855)
Losses on, impairment of and change in allowances for trade receivables	<b>Notes 10.3 &amp; 14.1</b>	(4.760)
Other current operating expenses		(20.430)
<b>Depreciation and amortisation charge</b>	<b>Notes 5, 6 &amp; 7</b>	<b>(62.526)</b>
<b>Allocation to profit or loss of grants related to non-financial non-current assets and other grants</b>	<b>Note 13.2</b>	<b>473</b>
<b>Impairment and gains or losses on disposals of non-current assets-</b>	<b>Note 5</b>	<b>17.687</b>
Gains or losses on disposals and other		17.687
<b>Other</b>		<b>9</b>
<b>PROFIT/LOSS FROM OPERATIONS</b>		<b>22.378</b>
<b>Finance income-</b>	<b>Note 19.5</b>	<b>1.526</b>
From marketable securities and other financial instruments-		1.526
Third parties		1.526
<b>Finance costs-</b>	<b>Notes 14.1 &amp; 19.5</b>	<b>(15.236)</b>
On debts to third parties		(15.236)
<b>Exchange differences</b>		<b>90</b>
<b>FINANCIAL PROFIT/LOSS</b>		<b>(13.620)</b>
<b>PROFIT/LOSS BEFORE TAX</b>		<b>8.758</b>
Income tax	<b>Note 16.4</b>	(2.106)
<b>PROFIT/LOSS FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<b>6.652</b>
<b>PROFIT/LOSS FOR THE YEAR</b>		<b>6.652</b>

The accompanying Notes 1 to 25 are an integral part of the income statement for 2008/09.

## STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED AT 30 JUNE 2009

### A) STATEMENTS OF RECOGNISED INCOME AND EXPENSE

(Thousands of Euros)

	Notes	Period 2008/09
<b>PROFIT/LOSS PER INCOME STATEMENT (I)</b>		<b>6.652</b>
<b>Transfers to profit or loss</b>		
- Grants, donations or gifts and legacies received	<b>Note 13.2</b>	(473)
- Tax effect	<b>Note 16.3</b>	118
<b>TOTAL TRANSFERS TO PROFIT OR LOSS (II)</b>		<b>(355)</b>
<b>TOTAL RECOGNISED INCOME AND EXPENSE (I+II)</b>		<b>6.297</b>

The accompanying Notes 1 to 25 are an integral part of the statement of recognised income and expense for 2008/09

### B) STATEMENTS OF TOTAL CHANGES IN EQUITY

(In thousands of Euros)

	Endowment Fund	Reserves	Result	Grants, dona- tions or gifts and legacies received	Total
<b>2007/08 ENDING BALANCE</b>	<b>2.708</b>	<b>—</b>	<b>10.069</b>	<b>—</b>	<b>12.777</b>
Adjustments due to changes in policies	—	(2.138)	—	3.908	1.770
<b>ADJUSTED BALANCE AT BEGINNING OF 2008/09</b>	<b>2.708</b>	<b>(2.138)</b>	<b>10.069</b>	<b>3.908</b>	<b>14.547</b>
Distribution of income of 2007/08	10.069	—	(10.069)	—	—
Total recognised income and expense	—	—	6.652	(355)	6.297
<b>2008/09 ENDING BALANCE</b>	<b>12.777</b>	<b>(2.138)</b>	<b>6.652</b>	<b>3.553</b>	<b>20.844</b>

The accompanying Notes 1 to 25 are an integral part of the statement of total changes in equity for 2008/09.



## STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED AT 30 JUNE 2009

(Thousands of Euros)

	Notes de la Memòria	Exercici 2008/09
<b>CASH FLOWS FROM OPERATING ACTIVITIES (I)</b>		
<b>Fiscal year results before taxation</b>		<b>8.758</b>
<b>Adjustments to the result-</b>		
- Depreciation and amortisation charge		62.526
- Impairment losses	<b>Notes 12 i 10.3</b>	596
- Changes in provisions	<b>Nota 14.1</b>	4.472
- Recognition of grants in profit or loss	<b>Nota 13.2</b>	(473)
- Gains/Losses on derecognition and disposal of non-current assets	<b>Nota 5</b>	(17.687)
- Financial income	<b>Nota 19.5</b>	(1.526)
- Financial expenses	<b>Notes 14.1 i 19.5</b>	15.236
- Exchange differences		(90)
- Recognition of accruals and deferred income in profit or loss		(177.416)
- Other income and expenses		2.963
<b>Changes in working capital-</b>		
- Trade and other receivables		(35.804)
- Additions of accruals and accrued income		(4.710)
- Other current assets		4.835
- Trade and other payables		52.215
- Other current liabilities		(233)
- Additions of accruals and deferred income		197.432
- Other non-current assets and liabilities		(1.267)
<b>Other cash flows from operating activities-</b>		
- Interest paid		(11.148)
- Interest received		1.526
- Income tax recovered (paid)		(305)
- Other amounts received (paid)		(291)
		<b>99.609</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES (II)</b>		
<b>Payments due to investments-</b>		
- Intangible non-current sporting assets		(69.387)
- Property, plant and equipment		(15.446)
- Investment property		(277)
- Other financial assetss		(74.761)
<b>Proceeds from disposal-</b>		
- Intangible non-current sporting assets		50.023
- Intangible non-current assets		294
- Intangible material		-
		<b>(109.554)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES (III)</b>		
<b>Proceeds and payments relating to financial liability instruments-</b>		
- Proceeds from issue of bank borrowings	<b>Nota 15.2</b>	29.100
- Repayment of bank borrowings		(13.503)
		15.597
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III)</b>		<b>5.652</b>
Cash and cash equivalents at beginning of year		4.617
Cash and cash equivalents at end of year		10.269

The accompanying Notes 1 to 25 are an integral part of the statement of cash flows for 2008/09.

# FUTBOL CLUB BARCELONA

## Notes to the Financial Statements for the year ended at 30 June 2009

### **1. Description of the Club**

Futbol Club Barcelona was incorporated on November 29 1899 as a private, nonprofit association with separate legal identity and a capacity to act.

The Club's purposes are, among others, to promote football in particular and sport in general, to participate in competitions and promote sporting events for its members and, where appropriate, the general public.

Its registered address is located in Avenue Aristides Maillol, s/n, Barcelona.

### **2. Basis of presentation of the financial statements**

#### ***2.1. Fair Presentation***

The accompanying financial statements, which were prepared by the Club's Board of Directors from its accounting records, are presented in accordance with Royal Decree 1514/2007 approving the Spanish National Chart of Accounts and, in all matters that do not contradict this, in accordance with the Spanish National Chart of Accounts adapted for sports corporations. Accordingly, they present fairly the Club's equity, financial position, results of operations and cash flows for 2008/09.

The 2008/09 financial statements will be submitted for approval by the General Assembly, and it is considered that they will be approved without any changes. The 2007/08 financial statements were approved on 24 August 2008.

#### ***2.2. Non-obligatory accounting principles applied***

No non-obligatory accounting principles were applied. Also, the Directors formally prepared these financial statements by taking into account all the obligatory accounting principles and standards with a significant effect thereon. All obligatory accounting principles were applied.

#### ***2.3. Key issues in relation to the measurement and estimation of uncertainty***

In preparing the accompanying financial statements estimates were made by the Board of Directors in order to measure certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates relate basically to the following:

- The assessment of possible impairment losses on certain assets (see Note 4.1 and 4.5)
- The useful life of non-current assets (see Note 4.1 and 4.2)
- The calculation of provisions (See Note 4.9)

Although these estimates were made on the basis of the best information available at 2008/2009 exercise end, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively.

#### ***2.4. Going concern***

The accompanying balance sheet at 30 June 2009 shows a negative working capital of EUR 199,872 thousand. importància dels factors mitigants descrits a continuació:



In the preparation of these financial statements, the Board of Directors applied the going concern principle given the importance of the factors described following.

- Taking part of the calculation of working capital, it has been included the short term liability accruals, which import rises up to, at 30 June 2009, EUR 84 millions (see Note 17). These accruals do not involve future financial obligations for the Club since they are integrated in the balance sheet following the cash terms established in the contracts, and they are recognized as income depending on their import.
- "Other accounts payable to public authorities" in the balanced sheet's current liabilities, include an amount of EUR 23,496 thousand that corresponds to the liquidation import of several tax assessments that were inchoated in previous exercises (see Note 14.1). Currently, the Board of Directors is negotiating the long term financing for a significant amount of that amount.
- At 30 June 2009 the Club maintains credit lines about to dispose for an amount of EUR 39,550 thousands.
- As it is written in some syndicated loan clauses, the Club maintains non-available deposits in the agent bank of an amount of EUR 35,234 thousands (see Note 10.1).
- Currently, the Board of Directors is negotiating a modification in the syndicated loan in order to adapt it to the financing needs that are shown in the treasury budget refreshed by the Club and to guarantee in the short and medium term its financial continuity in a structured way. This syndicated loan modification that is being negotiated by the Club, considers, among other measures, the unpledge of the deposit that would mean the immediate availability of EUR 35,234 thousands.

## **2.5. Comparative information and matters arising from the transition to the new accounting rules**

In compliance with the obligation established in Article 35.6 of the Spanish Commercial Code and for the purposes of applying the principle of consistency and meeting the requirement of comparability, the financial statements for the year ended 30 June 2009 are considered to be initial financial statements and, accordingly, it is not obligatory to include comparative figures.

However, pursuant to Royal Decree 1514/2007, set forth below are the balance sheet and income statement for 2007/2008 fiscal year approved by the General Assembly on 24 August 2008. These financial statements were prepared in accordance with the rules established in the General Accounting Principles adapted to Sport companies.

### Balance Sheet at 30 June 2008

(Thousands of Euros)

ASSETS	30/06/2008	EQUITY AND LIABILITIES	30/06/2008
<b>NON-CURRENT ASSETS:</b>		<b>OWNERS' EQUITY</b>	
Intangible sport assets	100.773	Endowment Fund	2.708
Other intangible assets	2.810	Profit/Loss for the year	10.069
Property, plant and equipment	139.874	<b>Total owners' equity</b>	<b>12.777</b>
Non current financial assets	41.139		
<b>Total non-current assets</b>	<b>284.596</b>	<b>DEFERRED INCOME</b>	
		Grants	5.210
		Surrender of rights and future income	77.196
		Other income to be distributed in several FY	8.912
		<b>Total income to be distributed in several FY</b>	<b>91.318</b>
<b>DEFERRED CHARGES</b>	<b>17.944</b>	<b>RISKS AND EXPENSES PROVISIONS</b>	<b>89.949</b>
		<b>LONG TERM CREDITORS</b>	
<b>CURRENT ASSETS:</b>		Other creditors	43.807
Stock	164	<b>Total long term creditors</b>	<b>43.807</b>
Debtors	143.011		
Short term financial investments	5.295	<b>SHORT TERM CREDITORS</b>	
Chas and equivalents	4.617	Debts with banks	14.116
Prepayments and accrued income	147	Other creditors	65.164
		Other non-commercial debts	138.119
<b>Total current assets</b>	<b>153.234</b>	Accruals and deferred income	524
<b>TOTAL ASSETS</b>	<b>455.774</b>	<b>Total short term debts</b>	<b>217.923</b>
		<b>TOTAL LIABILITIES AND EQUITY</b>	<b>455.774</b>

### INCOME STATEMENT FOR THE PERIOD ENDED AT 30 JUNE 2008

(Thousands of Euros)

DEBIT	Period 2007/2008	CREDIT	Period 2007/2008
<b>EXPENSES:</b>		<b>INCOME:</b>	
Sports goods consumption	2.139	Net turnover	288.289
Other procurements	2.039	Other operational expenses	20.496
Staff and players	168.356		308.785
Players acquisition rights amortization	45.441		
Other intangible non-current assets amortization	319		
Property, plant and equipment amortization	6.967		
Variations in provisions			
Non-payable credit losses	415		
Other operational expenses	66.954		
	292.630		
<b>Operational income</b>	<b>16.155</b>		
Financial expenses	8.250	Financial income	463
Negative exchange rate differences	320	Positive exchange rate differences	110
	8.570		573
		<b>Negative financial result</b>	<b>7.997</b>
<b>Ordinary activities benefit</b>	<b>8.158</b>		
<b>Losses and extraordinary expenses</b>	<b>24.582</b>	<b>Extraordinary benefits and income</b>	<b>25.027</b>
<b>Positive extraordinary results</b>	<b>445</b>		
<b>Profit before tax</b>	<b>8.603</b>		
Taxation expenses	(1.466)		
<b>Profit after tax</b>	<b>10.069</b>		





The Club chose 1 July 2008 as the date of transition to the new Spanish National Chart of Accounts.

In accordance with current legislation, set forth below is the reconciliation of the equity at 1 July 2008 calculated in accordance with the former Spanish National Chart of Accounts to the equity at that date calculated in accordance with the new accounting rules established in Royal Decree 1514/2007:

	Thousands of Euros
<b>Equity at 1 July 2008 under former Spanish National Chart of Accounts adapted to Sport Corporations (*)</b>	<b>12,777</b>
Effects of transition to new Spanish National Chart of Accounts	
Deferred Charges	(2,128)
Grant	3,908
<b>Equity at 1 July 2008 under new Spanish National Chart of Accounts</b>	<b>14,547</b>

(\*) Obtained from the financial statements at 30 July 2008 prepared in accordance with the accounting principles and standards applicable at that date.

The explanation of these effects of transition to new Spanish National Chart of Accounts, considering that the Club chose the option considered in the section d) point 1 of the first transitory resolution in Royal Decree 1514/2007, in which the Club can value all of its patrimonial elements that must be included in the open balance in concordance to the current principles that were in force prior to the come into effect of the law 16/2007, 4 July, but for the financing instruments that are valued for its reasonable value, is the following:

#### *Deferred Charges*

According to the first transitory resolution of the general rules to the application of the New General Accounting Principles, the Club must remove all the assets that don't match this definition. Basically, the deferred interests of operations with sport companies for the acquisition of the rights of players registered by the Club as "Deferred Charges" at 30 June 2008. The effect of these adjustments has been registered on equity net with their fiscal impact.

#### *Reclassification to equity of the grants registered as diferred income*

According to regulation 18 included in "Normas de Registro y Valoración", the grants non refundable will be recorded in the books, generally, as income directly imputed to equity and will appear in the income statement as an income based on a systemic and rational basis correlated with the expenses derivated from the subsidy, according to the income imputable criteria detailed on regulation. In accordance to the New General Accounting Principles, the Club has reclassified the equity heading "Subsidies, donations and legacy" the import of these subsidies with their fiscal impact.

### **2.6. Grouping of items**

Certain items in the balance sheet, income statement, statement of changes in equity and statement of cash flows are grouped together to facilitate their understanding; however, whenever the amounts involved are material, the information is broken down in the related notes to the financial statements.

### **3. Distribution of income**

The proposed distribution of 2008/09 income that the Club's Board of Directors will submit for approval by the General Assembly is to allocate the income for the year to the endowment fund in full.

Last years' benefit was also allocated to the endowment fund in full.

### **4. Valuation standards**

The main valuation methods applied by the Club in preparing its financial statements were as follows:

#### **4.1. intangible assets**

The costs incurred to buy players' federation rights from other clubs and other similar amounts paid are capitalised as intangible assets and amortised on a straight-line basis over the term of the contract signed with the player, disregarding any residual value. The expenses incurred to renew contracts are only capitalised when they lead to improvements therein (extension of the contractual duration, increase in the termination clause, etc.) and are amortised based on the duration of the new contract. Variable payments, which depend on the fulfillment of certain sports events carried out by a player or the Club, are registered in the moment that its realization it is definite, given that it implies an upcoming payment.

In the case of acquisition of a preferential option on players, the costs are amortised upon final acquisition on a straight-line basis over the duration of the contract with the Club. Otherwise, the total amount is expensed at the end of the exercise period.

In the case of early termination of contracts, the unpaid cost is amortized in full and, together with the related revenues, is taken to extraordinary income when deregistration from the Federation is granted.

No training costs for players from the youth system or other sections or training costs for players acquired from other clubs are capitalized.

In the case of transfers of players, the Club records the cost of the transfer in the income statement.

Other intangible assets

Non-sporting intangible assets are recorded at cost, net of the related accumulated amortisation. These assets are amortized according to its useful life. They comprise the following items:

The heading "Other Intangible Costs" comprises capitalised costs required for the advertising rights re-buy that previously had been transferred with the aim of obtaining greater economic compensation through its activity. These advertising rights are amortized according to the initial transfer contract duration.

Computer software purchased is recorded at cost and amortised by the straight-line method over a period of five years or the period in which it is expected to be used, if shorter. Computer software maintenance expenses are charged to the income statement.

*Intangible and fixed assets impairment:*

Whenever there are indications of impairment, the Club tests the tangible and intangible assets for impairment to determine whether the recoverable amount of the assets has been reduced to below their carrying amount.

Recoverable amount is the higher of fair value less costs to sell and value in use.

Due to pre previous statement, the Club has hired valuation services for most of its assets on the "Buildings investments" account. The aim is to find out if the refundable price is higher or equal to its accounted value.

If an impairment loss has to be recognised the carrying amount of the asset is reduced, on the basis of their carrying amount, down to the limit of the highest of the following values: fair value less costs to sell; value in use and zero.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised as income.

#### **4.2. Property, plant and equipment**

Property, plant and equipment are carried at cost, revalued until 1996 pursuant to current legislation. Its value is supposed to be reduced by the cumulative amortization or impairments according to what is mentioned in Note 4.1.

Property, plant and equipment acquired without any costs for the FCB before the 30 June 2000 is valued at its' valor venal at the time of the acquisition according to the estimated value shown in the certificates carried out by outsourced professionals.

The costs of expansion, modernization or improvements leading to increased capacity or efficiency or to a lengthening of the useful lives of the assets are capitalized as a greater cost of the corresponding assets.



Upkeep and maintenance expenses are expensed currently.

Depreciation is calculated by the straight-line method over the following years of estimated useful life:

	Years of Estimated Useful Life
Stadiums and other structures	25 to 50
Machinery, fixtures and tools	3.3 to 10
Transport equipment	5
Furniture and equipment	12.5
Computer hardware	5

#### **4.3. Investment property**

The “Investment property” account registers the land, buildings and other constructions value acquired by the Club. All these assets are maintained either to rent them or to make a profit from its sell once the market price has risen.

These assets are valued according to the criteria on Note 4.C, related to Property, Plant and Equipment.

#### **4.4. Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

*Operational leases:*

When the Club acts as the lessor, the income obtained from operating leases are recognised in income on an accrual basis.

On the other hand, when the Club acts as the lessee, expenses resulting from operating leases are charged to income in the year in which they are incurred.

#### **4.5. Financial instruments**

##### *4.5.1. Financial Assets*

*Classification*

The Clubs' financial assets are classified in the following categories:

- Loans and receivables: financial assets arising from the sale of goods or the rendering of services in the ordinary course of the Club's business, or financial assets which, not having commercial substance, are not equity instruments or derivatives, have fixed or determinable payments and are not traded in an active market.

*Initial recognition*

Financial assets are initially recognised at the fair value of the consideration given, plus any directly attributable transaction costs.

*Subsequent measurement*

Els préstecs i partides que s'han de cobrar es valoren pel seu cost amortitzat.

Loans and receivables are measured at amortised cost.

At least at each reporting date the Club tests financial assets not measured at fair value through profit or loss for impairment. Objective evidence of impairment is considered to exist when the recoverable amount of the financial asset is lower than its carrying amount. When this occurs, the impairment loss is recognised in the income statement.

The criteria applied by the Club to evaluate impairment with trade receivables are to carry out an individual analysis for every debtor at the end of the year.

The Club eliminated its' financial assets once they expire or the rights over the cash flow have been transferred, as well as the risks and benefits related to the ownership of the asset.

However, the Club does not derecognise financial assets, and recognises a financial liability for an amount equal to the consideration received, in transfers of financial assets in which substantially all the risks and rewards of ownership are retained.

#### 4.5.2. Financial liabilities

Financial liabilities include accounts payable by the Club that have arisen from the purchase of goods or services in the normal course of the Club's business and those which, not having commercial substance, cannot be classed as derivative financial instruments.

Accounts payable are initially recognised at the fair value of the consideration received, adjusted by the directly attributable transaction costs. These liabilities are subsequently measured at amortised cost.

The Club derecognises financial liabilities when the obligations giving rise to them cease to exist.

#### **4.6. Foreign currency transactions**

The Club's functional currency is the euro. Therefore, transactions in currencies other than the euro are deemed to be "foreign currency transactions" and are recognised by applying the exchange rates prevailing at the date of the transaction.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to euros at the rates then prevailing. Any resulting gains or losses are recognised directly in the income statement in the year in which they arise.

#### **4.7. Income tax**

La despesa o ingrés per impost sobre beneficis comprèn la part relativa a la despesa o ingrés per l'impost corrent i la part corresponent (deferred tax income).

The current income tax expense is the amount payable by the Club as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carryforwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (tax loss), and except for those associated with investments in subsidiaries, associates and joint ventures in which the Club is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is considered probable that the Club will have taxable profits in the future against which the deferred tax assets can be utilised.



Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised in equity.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that they will be recovered through future taxable profits.

#### **4.8. Income and costs**

Revenue and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Revenue is measured at the fair value of the consideration received, net of discounts and taxes.

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods sold have been transferred to the buyer, and the Club neither continues to manage the goods nor retains effective control over them.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period, provided the outcome of the transaction can be estimated reliably.

Interest income from financial assets is recognised using the effective interest method and dividend income is recognised when the shareholder's right to receive payment has been established. Interest and dividends from financial assets accrued after the date of acquisition are recognised as income.

#### **4.9. Provisions and contingencies**

The Club Board of Directors, when preparing the financial statements differentiate between:

1. Provisions: credit balances covering present obligations arising from past events with respect to which it is probable that an outflow of resources embodying economic benefits that is uncertain to its amount and/or timing will be required to settle the obligations; and settlement date.
2. Contingent liabilities: possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the Club's control.

The financial statements include all the provisions with respect to which it is considered that it is more likely than not that the obligation will have to be settled. Contingent liabilities are not recognised in the financial statements, but rather are disclosed, unless the possibility of an outflow in settlement is considered to be remote.

Provisions are measured at the present value of best possible estimate of the amount required to settle or transfer the obligation, taking into account the information available on the event and its consequences. Where discounting is used, adjustments made to provisions are recognised as interest cost on an accrual basis.

The compensation to be received from a third party on settlement of the obligation is recognised as an asset, provided that there are no doubts that the reimbursement will take place, unless there is a legal relationship whereby a portion of the risk has been externalised as a result of which the Company is not liable; in this situation, the compensation will be taken into account for the purpose of estimating the amount of the related provision that should be recognised.

The Board of Directors is responsible for the estimation and quantification of the risks related with the possible provisions to register or contingent liabilities to inform in the Financial Statement Notes. To do the analyzing and quantification of these risks, the Club bases itself on the evaluation made by their lawyers and other consultants.

#### **4.10. Compensations for firing employees and end of contracts**

According to the Law, the Club has to pay compensations to all the employees who, under determinate circumstances, terminate their professional relationship. These compensations will be registered as a loss in the year that the end of the professional relationship ends and it is communicated to the employee affected. In the Annual Report there are no provisions registered to cover these compensations as the company is not planning to terminate any professional relationship.

The Club has signed some contracts with some players that include compensation once they are terminated if some circumstances take place. These compensations are registered as a loss on a lineal basis according to the duration of the contract.

#### **4.11. Environmental liabilities**

Environmental assets are deemed to be assets used on a lasting basis in the Club's operations whose main purpose is to minimise environmental impact and protect and improve the environment, including the reduction or elimination of future pollution.

Because of their nature, the Club's business activities do not have a significant environmental impact.

#### **4.12. Pension or similar commitments**

The cost of pension commitments or retirement premiums is recognized on an accrual basis.

The cost of commitments to retired personnel, comprising a supplement to the social security pensions and the cost of accrued retirement premiums, was determined on the basis of periodic actuarial calculations made by an independent expert and is externalized under a defined-benefit group insurance policy. The actuarial calculation was based on the Projected Unit Credit method, using PERM/F 2000– P mortality tables and an assumed rate of 4.90%.

Pension commitments to serving employees are covered by a pension plan with defined contributions to the Banc Sabadell 8 Pension Fund. In 2008/09 pension fund contributions amounted to EUR 650 thousand. These contributions are recorded under "Regular and

#### **4.13. Grants, donations or gifts and legacies received**

To register the grants, donations or gifts and legacies received, the Club follows this criteria:

1. Non-refundable grants, donations or gifts and legacies related to assets: these are measured at the fair value of the amount or the asset received, based on whether or not they are monetary grants, and they are taken to income in proportion to the period depreciation taken on the assets for which the grants were received or, where appropriate, on disposal of the asset or on the recognition of an impairment loss, except for grants received from shareholders or owners, which are recognised directly in equity and do not give rise to the recognition of any income.
2. Grants related to income: grants related to income are credited to income when granted, unless their purpose is to finance losses from operations in future years, in which case they are allocated to income in those years. If grants are received to finance specific expenses, they are allocated to income as the related expenses are incurred.

#### **4.14. Accruals and deferred income**

The amounts perceived and pending to be accounted as income in the profit and loss account, basically related to TV contracts, sponsoring and member fees, are registered at its nominal value in the account "Non-current accruals and deferred income" or "Current accruals and deferred income" depending on the time to be registered as results. These amounts, that do not have financial implications, are registered in the balance sheet once they are invoiced according with the payment terms established in the contract, and recognized as income only in the correspondent fiscal year.

#### **4.15. Non-current assets classified as held for sale**

The Club classifies a non-current asset or disposal group as held for sale when the decision to sell them has been taken and the sale is expected to occur within twelve months.

These assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale are not depreciated, but rather at the end of each reporting period the related valuation adjustments are made to ensure that the carrying amount is not higher than fair value less costs to sell.

Income and expenses arising from non-current assets and disposal groups classified as held for sale which do not qualify for classification as discontinued operations are recognised under the related heading in the income statement on the basis of their nature.



#### 4.16. Classification of current and non-current assets

Assets and liabilities presented in the balance sheet are classified in current or non-current. Assets and liabilities are classified as current when they are related to the regular Club business cycle and they are expecting to be sold, consumed or realized during the fiscal year. The regular business cycle lasts one year.

#### 5. Sporting intangible assets – Player acquisition rights

This caption contains the player acquisition rights, signing bonus or players renewals. The balances of this heading and the changes therein in the year ended at 30 June 2009 are as follows:

	Thousands of Euros			
	Balances at 01/07/08	Additions	Disposals	Balances at 30/06/09
<b>Cost:</b>				
Football	195.799	73.090	(49.483)	219.406
Basketball	5.578	163	(1.145)	4.596
Handball	1.426	500	(253)	1.673
Hockey	986	–	(30)	956
<b>Total cost</b>	<b>203.789</b>	<b>73.753</b>	<b>(50.911)</b>	<b>226.631</b>
<b>Accumulated depreciation:</b>				
Football	(85.531)	(52.533)	39.155	(98.909)
Básquet	(3.322)	(858)	828	(3.352)
Handball	(942)	(224)	244	(922)
Hockey	(322)	(286)	30	(578)
<b>Accumulated depreciation Total</b>	<b>(90.117)</b>	<b>(53.901)</b>	<b>40.257</b>	<b>(103.761)</b>
<b>Net Total</b>	<b>113.672</b>	<b>19.852</b>	<b>(10.654)</b>	<b>122.870</b>

Acquisition rights regarding players forming part of the professional team at 30 June 2009 will be expensed in future seasons according to the following estimates:

	Thousands of Euros
<b>Season:</b>	
2009-2010	52.793
2010-2011	42.684
2011-2012	24.055
2012-2013 and thereafter	3.338
	<b>122.870</b>

The most significant additions were those regarding the player's acquisition rights and signing up bonuses of the football players Daniel Alves for an amount of EUR 32,200 thousands, Alexander Hleb for EUR 16,221 thousands, Seydou Keita for EUR 14,000 thousands and Henrique Adriano for EUR 8,785 thousands. These amounts can increase in the future depending on variable issues, mainly the team performance, considered in the contracts.

At 30 June 2009, the Club has paying agreements of several variable issues about the team performance. Those agreements rise to EUR 10 millions for the next season.

Regarding the disposals of player rights, the amount refers mainly to the rights sales of Ronaldo de Assis Moreira and Oleguer Presas. The result obtained in these operations and the other player right sales that have been done during this season rise to EUR 15,420 thousands. Additionally the account "Gains or losses on disposals of non-current assets" of the income statement, reveals other profits for an amount of EUR 2,896 thousands, mainly generated for charges that the club earned for variable issues based on the performance of players that played for the Club in previous seasons. Likewise, the club generated losses of EUR 629 thousands, regarding paying agreements settled in the acquisition of player rights negotiated in previous seasons.

Likewise, the Club had retirements for the end of some player's contracts that haven't generated significant results because they were totally redeemed.

After the season end, the Club formalized contracts for the acquisition of player rights of Scherrer Cabelino Maxwell and Siarhei Rutenka for an amount of EUR 4.5 and EUR 1 million.

At June 30 of 2009 the Board of Directors estimate that in case of a potential sell of player rights of any football player, it wouldn't represent any significant loss.

The average term and the average years elapsed of the contracts with the professional football team, whose federation rights were acquired for any economic consideration, is as follows:

Number of players at 30 June 2009	22
Average contract term	4,32
Years of contract elapsed (average)	2,59

At 30 June 2009, assets amounting to EUR 5,406 thousand had been fully amortised.

## 6. Other intangible assets

The balances of this heading and the changes therein in the year ended at 30 June 2009 are as follows:

	Thousands of Euros				
	Balances at 01-07-08	Additions	Disposals	Transfers	Balances at 30-06-09
<b>Cost:</b>					
Computer software	1.928	740	(294)	2.237	4.611
Other intangible costs	765	—	—	—	765
Intangible assets in progress	2.237	—	—	(2.237)	—
<b>Total cost</b>	<b>4.930</b>	<b>740</b>	<b>(294)</b>	<b>—</b>	<b>5.376</b>
<b>Accumulated depreciation:</b>					
Computer software	(1.355)	(680)	—	—	(2.035)
Other intangible costs	—	(765)	—	—	(765)
<b>Total Accumulated depreciation</b>	<b>(1.355)</b>	<b>(1.445)</b>	<b>—</b>	<b>—</b>	<b>(2.800)</b>
<b>Net Total</b>	<b>3.575</b>	<b>(705)</b>	<b>(294)</b>	<b>—</b>	<b>2.576</b>

The season's transfers include the new management computer software used by the Club.

Likewise, the disposals of this season include repayments registered during previous seasons.

At 30 June 2009, intangible assets amounting to EUR 1,804 thousand had been fully amortized.





## 7. Property, plant and equipment

The changes in the year ended 30 June 2009 in the “Property, Plant and Equipment” accounts are as follows:

	Thousands of Euros			
	Balances at 01-07-08	Additions and disposals	Transfers	Balances at 30-06-09
<b>Cost:</b>				
Stadiums and pavilions	134.749	3.596	(4.519)	133.826
Other land and structures	25.624	73	(263)	25.434
Plant, machinery and other	18.687	1.462	—	20.149
Constructions in progress	2.225	435	(197)	2.463
<b>Total cost</b>	<b>181.285</b>	<b>5.566</b>	<b>(4.979)</b>	<b>181.872</b>
<b>Accumulated depreciation:</b>				
Stadiums and pavilions	(41.786)	(5.306)	448	(46.644)
Other land and structures	(7.176)	(551)	—	(7.727)
Plant, machinery and other	(12.573)	(1.323)	—	(13.896)
<b>Total Accumulated depreciation:</b>	<b>(61.535)</b>	<b>(7.180)</b>	<b>448</b>	<b>(68.267)</b>
<b>Net Total</b>	<b>119.750</b>	<b>(1.614)</b>	<b>(4.531)</b>	<b>113.605</b>

The most significant additions took place in the heading “Stadiums and pavilions” mainly thanks to the improvements on the Camp Nou and the assets in Sant Joan Despí.

The disposals correspond to the cost value of the land in Sant Joan Despí that the Club wants to sell during the next season and was classified in the heading “Non-current assets classified as held for sale” of the balance sheet (see Note 11).

As part of the project to adapt sports centers and facilities to the security measures set forth in the Regulations for the Prevention of Violence, in earlier seasons the Club obtained property, plant and equipment valued at EUR 11,081 thousand from the Spanish National Professional Football League free of charge. These items are included under “Stadiums and Pavilions” and recorded for accounting purposes at the value per the construction certificates issued by the League with a balancing entry under the heading “Grants Related to Assets” (see Note 13.2).

During the season 1996/1997, the Club revalued property, plant and equipment assets according to the “Real Decreto-Ley 7/1996” of 7 June, increasing the value of that assets in EUR 12,303 thousands, calculated on the basis of the revalue coefficient table published on the “Real Decreto 2607/1996” of 20 December without applying any reduction neither in the coefficient nor the revalue, due to the compliance of the financing coefficient established in those Laws.

The Club policy is to formalize insurance policies to cover the main risks which may affect its property, plant and equipment items. The Board of Directors estimates that the main risks are properly covered.

At 30 June 2009, property, plant and equipment of EUR 19,378 thousand had been fully depreciated and it is still in use.

## 8. Investment property

The most significant investment property assets at 30 June 2009 are as follows:

	Thousands of Euros		
	Balances at 01-07-08	Additions and disposals	Balances at 30-06-09
Land in Hospitalet (Can Rigalt)	975	—	975
Land in Viladecans	18.467	277	18.744
Other land and constructions	682	—	682
<b>Total</b>	<b>20.124</b>	<b>277</b>	<b>20.401</b>

The Club's investment properties correspond to lands where the Club expects to obtain future earnings or capital gains thru the sell of these lands, without having an impact on the income statements of this season.

### **Can Rigalt**

The Club owns four plots of land located in the municipality of Hospitalet de Llobregat, covering an area of approximately 30,783, 23,676, 3,578 and 2,533 square meters, respectively, which were purchased on 4 July 1997. The property is governed by the "Amendment to the City Master Plan of the Can Rigalt City Area on the North of Avinguda Collblanc in the Pubilla Casas Neighborhood". In the year ended 30 June 2005, the Club sold an undivided interest in 76% of the plot of 23,676 square meters to Inmobiliaria Mar, S.A. (La Llave de Oro Group), which represented 30% of the total buildable floor area available to the Club among the four plots. The contract establishes that the property will be delivered fully developed and, therefore, the Club will be required to assume all of the urban development expenses arising from the urban development work. The final total selling price was established at EUR 35,352 thousand, EUR 28,282 thousand of which had already been collected at 30 June 2009. The accompanying balance sheet includes EUR 7,071 thousand recorded under "Long-Term Investments" (see Note 10.2).

The sale agreement sets forth the possibility that compensation be required involving the delivery of additional meters by Futbol Club Barcelona valued at a price similar to that established in this transaction, on the basis of the final buildability set forth in the "Amendment to the City Master Plan of the Can Rigalt City Area on the North of Avinguda Collblanc in the Pubilla Casas Neighborhood". A project related to a new division into plots is currently been developed. A compensation board was constituted at 18 June 2009, for the reason that on 13 December 2007 the Special Urban Improvement Plan (PEMU) was definitely approved by the Catalonia Autonomous Community Government.

At 30 June 2009, the cost of the remaining land owned by Futbol Club Barcelona totalled EUR 975 thousand.

### **Viladecans**

During the season 2007/2008 the Club acquired 278,544 square meters area lands in the municipality of Viladecans, which the Board of Directors will employ for the own Club use. The cost of these lands totalled the amount of EUR 18,467 thousand, which EUR 9,234 thousand were paid by the Club during this season and were pending to pay at 30 June 2008.

## 9. Leases

### **9.1 Operative leases in which the Club acts as lessor**

Acting as a landlord, the most significant incomes that generate the Club are those referred to specific leases of the Club facilities in order to celebrate special events by third parts such as concerts. The payments to receive for these events depend on the negotiation with the organizers.

### **9.2 Operative leases in which the club acts as lessee**

The Club leases facilities and equipments in order to develop activities related to its normal activity.



## 10. Financial Assets

### 10.1. Long term financial assets

The breakdowns of this heading and of the changes therein in the year ended 30 June 2009 are as follows:

Categories	Thousands of Euros		
	Loans	Other Financial assets	Total
Loans to sporting entities	3,062	—	3,062
Judicial consignment (Note 14.1)	25,178	—	25,178
Other loans	2,107	—	2,107
Long Term Guarantees	—	399	399
Long Term Deposits (Note 15.2)	—	35,234	35,234
<b>Total</b>	<b>30.347</b>	<b>35.633</b>	<b>65.980</b>

#### *Loans to sporting entities:*

This heading relates mainly to the long term amount to cash for the federative player rights sell of Giovanni Dos Santos to Tottenham Hotspur, plc. This debt will be recovered in two payments of EUR 1,500 thousands plus interests during the seasons 2010/11 and 2011/12.

#### *Other Loans:*

An account receivable amounting EUR 2,107 thousand, related to a player of the basketball division, which expires on 1 January 2014 and with no interest rate.

#### *Long term guarantees:*

Long-term equity investments relate mainly to the interest held by the Club in the Basketball Club Association (ACB), in the Handball Club Association (ASOBAL) and in the Division of Honour of the Indoor Football League, a mandatory requirement to participate in competitions. The total amount of payments rises to Eur 288 thousands.

#### *Long term deposits:*

The heading "Long term deposits" corresponds to non-available deposits constituted during this season according to the financing syndicated contract (see Note 15.2). The Club is negotiating a modification in the syndicated loan. This will imply the unpledged of the deposit with the immediate availability of EUR 35,234 thousands.

### 10.2. Short term financial assets

The breakdowns of this heading and of the changes therein in the year ended 30 June 2009 are as follows:

Categories	Thousands of Euros
	Loans and others
Debts for fixed assets disposals	7,071
Other loans	460
<b>Total</b>	<b>7,531</b>

#### *Debts for fixed assets disposals:*

During this season, the amount to cash about the Can Rigalt land sell appears as a short term investment.

### 10.3. Trade and other receivables

The breakdowns of this heading and of the changes therein in the year ended 30 June 2009 are as follows:

	Thousands of Euros
Receivables from sporting entities	10,866
Other debtors	118,947
Employee receivables	896
Current tax assets (Note 16.1)	333
Other accounts receivable from public authorities (Note 16.1)	2,970
<b>Total</b>	<b>134,012</b>

#### *Receivables from sporting entities:*

The Club registers in this caption receivables from sporting entities for the transfers or assignments of federative rights of players. The breakdown is as follows:

	Thousands of Euros
Accounts receivable from the "Spanish National Professional Football League"	1,188
Accounts receivable from sporting entities for the transfer or assignment of players and others:	
Tottenham Hotspur, plc. (Giovanni Dos Santos)	1,710
Real Zaragoza, S.A.D. (Sergio García)	2,181
A.C. Milan, S.P.A. (Gianluca Zambrotta)	666
A.F.C. Ajax (Oleguer Presas)	98
F.C. Internazionale Milano S.P.A. (Ricardo Quaresma)	31
Other federations and associations	4,992
<b>Total</b>	<b>10,866</b>



*Other debtors:*

The breakdowns of this heading and of the changes therein in the year ended 30 June 2009 are as follows:

	Thousands of Euros
Exclusive contracts	58.032
Accounts receivable for televised broadcasting and sports programs	51.737
Other	9.178
<b>Total</b>	<b>118.947</b>

The account "Accounts receivable for televised broadcasting and sports program" of the heading "Other debtors" includes amounts pending to receive for an amount of EUR 29,126 thousands of fix and variable payments of season 2007/08 included in the contract of transfer of the exploitation tv and audiovisual rights in the national competitions signed with Audiovisual Sport, S.L. and Televisió de Catalunya (acting as supportive guarantor) requiring the payment of the mentioned amounts. In sentence of 26 June 2009, notified to the Club at 17 July 2009, regarding the lawsuit previously mentioned, Audiovisual Sport, S.L. and "Televisió de Catalunya" were sentenced to pay the total amount pending to cash, rising EUR 29,126 thousands plus the delay interests.

The imperment valuation corrections registered in the heading "Sundry accounts receivable" of the balance sheet are EUR 1,720 thousands, registering in the income statement of the season ended at 30 June 2009 for an amount of EUR 432 thousands.

#### **10.4. Information on the nature and the level of risk of financial instruments**

##### *10.4.1. Qualitative Information*

The Club's financial risk management is centralised in its Financial Department, which has established the mechanisms required to control exposure to interest rate and exchange rate fluctuations and credit and liquidity risk. The main financial risks affecting the Club are as follows:

##### 1. Credit Risk

In general, the Club holds its cash and cash equivalents at banks with high credit ratings. Additionally, the Club makes an individualized analysis of its debtors that minimizes the credit risk.

##### 2. Liquidity Risk

The Club, for the purpose of ensuring liquidity and enabling it to meet all the payment obligations arising from its business activities, has the cash and cash equivalents disclosed in its balance sheet, together with the credit and financing facilities detailed in Note 15.

##### 3. Market risk (including interest rate, foreign currency and other price risks)

Given that the club's volume of financial debt is not relevant, its exposition to interest rate risk is not significant enough to have an adverse effect on the financial results.

There is no significant foreign currency risk since the Club does not make significant transactions in foreign currency.

### 11. Non-current assets classified as held for sale

The Club has the intention to sell in the short term a plot of land located in Sant Joan Despí. Given the accomplishment of the General Accounting Plan requirements, these assets are classified as non-current assets classified as held for sale. At the closing of the period 2008/09 the €4,531 thousands has been classified in this caption transferred from the balance chapter "Property, plant and equipment" (see Note 7).

### 12. Stock

Stock, in previous fiscal years, mainly covered sportive staff for the own use of the Club. At the present fiscal year, valuable corrections have been introduced taking into consideration the selling value of the stock. The relevant profit and loss impact is a €164 thousand charge.

### 13. Equity

At 30 June 2009, the club's Endowment Fund is EUR 12,777 thousands.

#### 13.1. Net worth for the purposes of the Law on Sport

The Spanish Sports Act, of 15 October 1990, establishes that clubs which participate in sports competitions of a professional nature will take the form of a Sports Corporation. Notwithstanding this, it establishes that clubs which participate in official competitions of a professional nature under the football scheme and which in accordance with the audits carried out by the Spanish professional football league (LFP) have generated positive net worth since 1985/86 may retain their current legal form. Futbol Club Barcelona meets this condition. In this case, the aforementioned law establishes that the Board of Directors is required to deposit a guarantee equal to 15% of the Club's expense budget.

Pursuant to the regulations contained in Royal Decree 1251/1999, of 16 July, implementing the provisions of the Sports Act, the Board of Directors may offset guarantees and is not required to deposit the above-mentioned guarantee since the income accumulated in the course of its management, amounting to EUR 94.6 million, exceeds the required minimum, equal to 15% of the expense budget for 09/10.

#### 13.2. Grants related to assets

The breakdown of grants related to assets is as follows:

Organism	Scope	Thousands of Euros			
		01-07-08	Transfer to results	Fiscal Effect (Note 16.3)	30-06-09
Catalonia Autonomous Community Government	Public	153	(6)	2	149
"Liga Nacional de Fútbol Profesional" (Note 7)	Private	3.181	(453)	113	2.841
La Caixa	Private	125	(14)	3	114
Donations of works of art	Private	449	—	—	449
	<b>Total</b>	<b>3.908</b>	<b>(473)</b>	<b>118</b>	<b>3.553</b>

At 30 June 2009 the Club have accomplished all the mandatory requirements for the payment of the grants.



## 14. Provisions for contingencies and charges

### 14.1. Provisions

At 30 June 2009, this heading is broken down as follows:

Long Term Provisions	Thousands of Euros				30-06-09
	01-07-08	Additions	Reversals	Transfers	
Tax provisions (Note 16.8)	59,523	2,657	(272)	(25,772)	36,136
Other responsibilities provisions	30,426	4,472	(9,903)	—	24,995
<b>Total long-term</b>	<b>89,949</b>	<b>7,129</b>	<b>(10,175)</b>	<b>(25,772)</b>	<b>61,131</b>

#### *Tax Provisions:*

This heading includes tax assessments issued by the tax authorities for the period from March 1996 to 1999, totaling EUR 36,136 thousand (which includes interest borne to date) as explained in Note 16.8 below.

The additions and reversals detailed correspond to delay interests provisioned and paid during this season.

The transfers correspond to the IRPF liquidations notified by the Spanish tax agency to the Club at 11 December 2008 as a result of the sentence of the supreme court of 1 July 2008 regarding the tax assessments issued by the tax authorities the years 1990, 1991, 1992 and the first semester of 1993 (see Note 16.8). The amount referring these liquidations, plus the interest included on the paying calendar accorded with the tax agency, has been transferred to the heading "Other debts with Public Administrations" of the balance sheet. To 30 June 2009 the Club has paid EUR 2,276 thousands plus interests according to the paying calendar. The total amount of pending payments rises to EUR 23,496 thousands (see Note 16.1).

#### *Other responsibility provisions:*

The balance of this heading in the balance sheet at 30 June 2009 includes mainly the following items:

- An estimate of the cost of external urban development and of the other costs of the Can Rigalt land sold in the past season, which is being met by the Club, totaling EUR 5,806 thousand, as explained in Note 8.
- On 30 April 2007, Sogecable, S.A. filed a claim against Fútbol Club Barcelona in relation to the contract signed at 12 June 1999, which in Fútbol Club Barcelona assigns the incomes regarding the exploitation of the Club's broadcasting right image for the international competitions where Fútbol Club Barcelona takes part.

This claim, which amounts to EUR 52 million (excluding VAT) for seasons 2004/05, 2005/06 and 2006/07 arose mainly as a result of the differing interpretation made of this rights assignment contract between Sogecable, S.A. and Fútbol Club Barcelona.

According to Sogecable, S.A., Fútbol Club Barcelona must transfer to it all the income, with no exception, that it receives from the UEFA for all items in relation to the Club's participation in the UEFA-Champions League competition. However, Fútbol Club Barcelona's purports that it has only to pay Sogecable, S.A. the amounts received from the UEFA as payment for the value of the audiovisual rights that Fútbol Club Barcelona grants to the competition organizer, and not the other amounts received from the UEFA which neither remunerate nor pay the assignment of the audiovisual rights. Additionally, since the assets assigned by Fútbol Club Barcelona to the UEFA as the UEFA-Champions League competition organizer include assets other than audiovisual rights, such as hoarding advertising, sponsorship, advertising, hospitality and other rights, Fútbol Club Barcelona's interpretation of the televised broadcasting rights assignment contract entered into with Sogecable, S.A. is also based on the fact that the scope of this contract does not include the income the Club receives from the UEFA for other items that are not associated with televised image and audiovisual operating rights.

In sentence of 12 January 2009, a Barcelona's Court estimated the claim presented by Sogecable against Futbol Club Barcelona, determining that the Club must satisfy to Sogecable the whole economic payment received by the UEFA and the entities in charge to organize the European leagues and cups of the different sporting sections, plus VAT and the suitable interests. The total amount to pay rises up to EUR 57 millions plus the interests. The mentioned amounts (without interests) is distributed as follows:

	Thousands of Euros		
	Debt	VAT	Total
Season 04/05	5.082	813	5.895
Season 05/06	23.445	3.751	27.196
Season 06/07	20.826	3.332	24.158
<b>Total</b>	<b>49.353</b>	<b>7.896</b>	<b>57.249</b>

Additionally, the sentence condemn to Telefónica de Contenidos, S.A.U. to pay to Futbol Club Barcelona the fix compensation written in the contract of 12 June 1999 and owed for this company to Futbol Club Barcelona. During February of 2009, this company consigned EUR 24,293 thousands, amount that includes VAT and delay interests to face the obligation from the sentence.

The Club consigned EUR 39,174 thousands to the Barcelona's Court number 47 in days 16 February and 2 March 2009, this amount include delay interests, and at 17 February the EUR 24,293 thousands consigned by Telefónica de Contenidos, S.A.U.

As a consequence of the payments made by the Club, a provision has been applied regarding the seasons of the sentence, so then, at 30 June 2009, the amount of the provision for this issue rises to EUR 6,457 thousands of the estimated risk for the season 2007/08 that was not included in the sentence.

Additionally, a long term receivable account must be registered in the chapter "Other loans" of the heading "Non-current financial assets" of the balance sheet for an amount of EUR 25,718 thousands (see Note 10.1). They payments also include an amount of EUR 3,517 that correspond to the interests registered in the heading "Fincancial expenses" of the income statement.

At 25 March 2009, Futbol Club Barcelona presented an appeal to the sentence since the Board of Directors and its advisers consider that the appeal presented by the Club will prosper and the litigation will be solved attending to what the Club demands. However, following the prudence criteria, an additional provision was allocated for an amount of EUR 1,289 thousands, following a risk valuation made by an independent expert. The appeal emphasizes that the Club recovered the publicity supports rights and the exploitation of "Canal Barça" thanks to the agreement signed between the Club and Telefónica de Contenidos, S.A.U. at 17 September 2003. These rights were previously assigned in the contract mentioned above among the two parts at 12 June 1999. Therefore, the independent expert considers that the balance between the lendings of the two parts were disturbed by the recovering of the rights, and therefore in the name of the contractual good faith and the reciprocity of the work done by the parties involve that the article 1289 of the civil code, and to avoid an unjust enriquegment, the Futbol Club Barcelona shouldn't be forced to pay to Sogecable, S.A. the totality of the economic rights to get from the UEFA and other international organisms to which the Club should assign the broadcasting rights.

Following the criteria above mentioned the amount to satisfy to Sogecable, S.A. has been calculated reducing proporcionalmente the amounts received for Futbol Club Barcelona from the UEFA and other international organisms in the percentage that represent the reward settled in the certain publicity and Canal Barça rights recovering contract of September 2003 related to the total amount of rewards according to the broadcasting rights assignment contract of 12 June 2009.

In case that the appeal presented by the club on the 25 March 2009 won't prosper, the estimated negative impact in the equity at 30 June 2009 would be as follows.

	Thousands of Euros
Seasons with sentence	25.178
Season 07/08	8.121
<b>Total</b>	<b>33.299</b>





The interest corresponding to the season 2007/08 reported to 30 June 2009 should be added to the previous amount.

- The account "Accounts receivable for televised broadcasting and sports programs", under the heading "Other debtors" of the accompanying balance, includes the amount of EUR 12.7 million receivable from "Audiovisual Sport, S.L." resulting from a clause of the contract for the assignment of the televised image and audio-visual operating rights for the teams of the Club's sports sections in Spanish competitions which is pending its collection because of a disagreement between both sides. On 27 June 2007 the Club put a claim against "Audiovisual Sport, S.L." which, amongst other claims, required the aforesaid payment. On 28 March 2008 the Court of First Instance of Barcelona rejected the Club requirements related to the interpretation of the remarked clause. The Club has filed to the National High Court a motion to appeal about this sentence, taking into consideration the opinion of assessors and the Board of Directors about its achievement through this judicial manner. In spite of the conviction about the positive ending of what has been remarked, and maintainign the accounting principle of prudence, the Board of Directors has increased the provision in EUR 3,183 thousands, consequently, at 30 June 2009 the account to get is fully provisioned.

#### 14.2. Contingencies

The contingency mentioned in the previous financial statements, regarding to "Accounts receivable for televised broadcasting and sports programs" from de heading "Other debtors" from the balance sheet, the Club has obtained a favorable sentence that condemns Audiovisual Sports, S.L. and Televisió de Catalunya to satisfy supportively to the Club the totality of the imports pending to cash that rise to EUR 29,126 thousands plus the delay interests (see Note 10.3).

#### 15. Financial liabilities

The detail of the financial liabilities is as follows:

Categories	Thousands of Euros		
	Debts with the banks	Other	Total
<b>Non-current financial liabilities:</b>			
Debits and accounts payable:			
Non-current payables	—	44.003	44.003
<b>Long Term</b>	<b>—</b>	<b>44.003</b>	<b>44.003</b>
<b>Current financial liabilities:</b>			
Debits and accounts payable:			
Current payables	29.788	7	29.795
Trade and other payables	—	246.569	246.569
<b>Short Term</b>	<b>29.788</b>	<b>246.576</b>	<b>276.364</b>
<b>Total financial liabilities</b>	<b>29.788</b>	<b>290.579</b>	<b>320.367</b>

### 15.1. Non-current payables

The detail, according to due date, of the liabilities contained in the "Long term debt" account is as follows:

	Thousands of Euros Long Term				
	2010/11	2011/12	2012/13	2013/14 and following	Total
Sporting entities debt (Note 15.3)	21.644	18.281	—	—	39.925
Other financial liabilities:					
Compensations due to the expiration of contracts	2.878	50	159	410	3.497
Others	242	243	48	48	581
<b>Total</b>	<b>24.764</b>	<b>18.574</b>	<b>207</b>	<b>458</b>	<b>44.003</b>

### 15.2. Current payables

The account "Short term debt" detail at 30 June 2009 is as follows:

	Thousands of Euros
Bank borrowings	29.788
Other financial liabilities:	
Short term deposits received	7
<b>Total</b>	<b>29.795</b>

#### Debts with banks:

The account "Debts with banks" at 30 June 2009 is as follows:

	Thousands of Euros	
	Nominal value	Amortised cost
Loan from La Caixa	29.100	28.986
Credit accounts	450	450
Interests to be paid	352	352
<b>Total</b>	<b>29.902</b>	<b>29.788</b>

#### Loan from La Caixa:

At 19 February 2009, the Club signed a loan with La Caixa for the amount of €29,100 thousands owed to be paid at the 18 February 2010. Interest rate is Euribor plus a differential and a 1% opening commission. With this loan the Club plans to face the cash deficit caused by the consignment of €39,174 thousands due to a legal process related with the transference of the international games TV rights (see Note 14.1), as well as the payment owed to the Club by Audiovisual Sport, S.L. for some fixed and variable amounts generated during the last season and not paid; this amounts come from retransmitting national games. This loan is granted with the sponsoring contract signed on the 26th October 2006 between the Club and Nike Europe Operations Netherlands, BV (see Note 17). Nowadays the Club has given back €15,000 thousands out of the total €29,100 thousands of the loan. On the other hand, the Club is supposed to soon receive the amount owed by Audiovisual Sport, S.L. plus the interests; due to the judges' decision on the 26th of June 2009 (see Note 10.3).

Credit accounts:

The Club has several credit accounts registered in the balance sheet on the 30th of June 2009 with the following limits:

	Thousands of Euros	
	Limit	Amount not disposed
Credit accounts	40.000	39.550

The credit accounts are reviewed on a year basis and are referenced at Euribor plus a market differential.

Syndicated finance contract:

On the 28<sup>th</sup> of January 2004, the Club signed a syndicated finance contract with a couple of banks for a total amount of €150 million separated in two phases:

- Phase A: credit limit up to €92.5 million. The Club used all of it up to December 2004. This phase was returned completely by October 2008.
- Phase B: consists on a line of deposits to warrant guarantees of maximum €113.9 million.

The Club is obliged to maintain determinate financial parameters in its financial statements up to date. On the 30<sup>th</sup> June 2009, on the bases of the available information and the interpretation of the definitions established on the contract, the calculations done by the Club shows that they are not accomplishing one of the requirements. At the moment, the current Board of Directors is negotiating the financing contract conditions that will be signed soon, through which the Board of Directors understands that no consequences will arise from not fulfilling all the requirements in the contract at 30th of June 2009.

With the warranties given by the Club according to what is established in the contract on phase B, the due date is 31<sup>st</sup> December 2010.

On the 30<sup>th</sup> June 2009 there are existing warranted guarantees from the financing contract that raise up to €97,539 thousands and other guarantees that amount €2,215 thousands of Euros.

The contract includes a clause that obliges the Club to make a monthly deposit equivalent to the loans' amortization once Phase A has been completely amortized. On the 30th of June 2009, the deposit amount rises up to €35,234 thousands (see Note 10.1).

**15.3. Trade and other payables**

The detail of the accounts included in this note is as follows:

	Thousands of Euros
Payable to suppliers	70.473
Other creditors	4.903
Sporting entities payables	49.859
Remuneration payable	60.372
Other accounts payable to public authorities (Note 16.1)	60.962
<b>Total</b>	<b>246.569</b>

*Sporting entities payables:*

The detail of the Sporting entities payables, which have been mainly generated by the acquisition of federational rights of the players, is as follows:

	Thousands of Euros			
	Short Term		Long Term (Note 15.1)	
	Nominal Cost	Amortised Cost	Nominal Cost	Amortised Cost
The Arsenal FC PLC (Henry)	12.000	11.937	—	—
Olympique Lyonnais SASP (Abidal)	5.000	4.978	—	—
AS Monaco FC (Touré)	2.250	2.250	2.250	2.250
Real Zaragoza, S.A.D (Milito)	5.580	5.580	—	—
Chelsea FC (Gudjohnsen)	3.000	3.000	—	—
Manchester United Ltd. (Piqué)	2.500	2.500	—	—
The Arsenal FC PLC (Hleb)	5.000	4.349	10.000	9.645
Sevilla Futbol Club SAD (Alves)	6.200	5.411	12.400	11.974
Villarreal Club de Futbol SAD (Cáceres)	2.375	2.375	8.250	8.250
Sevilla Futbol Club SAD (Keita)	3.000	2.640	6.000	5.806
Desportivo Brasil Participações Ltda (Henrique)	2.000	2.000	2.000	2.000
Owed to Real Federación Española de Fútbol	1.919	1.919	—	—
Accounts payable to federations and associations	578	578	—	—
Others	342	342	—	—
<b>Total</b>	<b>51.744</b>	<b>49.859</b>	<b>40.900</b>	<b>39.925</b>

*Remuneration payable:*

On the 3<sup>rd</sup> July 2009 a payment to the sports staff has been done. The debt with them has been paid and now remains to be paid €30.880 thousands corresponding to the variable wages generated by the first football team, which will be paid during the month of July.

## **16. Administration and fiscal situation**

### **16.1. Current balance with the Administration**

The detail of the balance with the administration on the 30th of June 2009 is as follows:

*Debit balance:*

	Thousands of Euros
Income tax receivable	333
VAT refundable	2.970
<b>Total</b>	<b>3.303</b>

*Credit balance:*

	Thousands of Euros
Personal income tax	36.977
Personal income tax related with administrative assessments (Note 14.1)	23.496
Accrued social security taxes payable	489
<b>Total</b>	<b>60.962</b>

**16.2. Reconciliation of accounting profit/loss to the income tax expense**

The reconciliation of the accounting profit/loss to the income tax expense is as follows:

	Thousands of Euros		
	Increases	Decreases	Total
Accounted result before taxation			8.758
Permanent differences:			
Fines, sanctions, donations and liberalities	70	(316)	(246)
Switch to new accounting regulation impacts (Nota 2.5)	—	(2.851)	(2.851)
Others	17	(102)	(85)
Temporary differences:			
With origin in previous years-			
Deferred reinvestments	2.468	—	2.468
Deferred player sales	—	(350)	(350)
With origin during present FY-			
Others	1.918	—	1.918
Offset of tax losses	—	(9.612)	(9.612)
<b>Taxable income</b>			<b>—</b>

**16.3. Taxes recognized on the Club Equity:**

The detail of the taxes recognized directly on the Club Equity is the following:

	Thousands of Euros		
	Increases	Decreases	Total
<b>Due to deferred taxes:</b>			
With origin on the present FY -			
Grants (Note 13.2)	118	-	118
Switch to New Accounting Plan Impacts	-	(713)	(713)
With origin on previous FY-			
Switch to New Accounting Plan Impacts	713	-	713
Grants	-	(1.302)	(1.302)
Total deferred taxes	831	(2.015)	(1.184)
<b>Total taxes recognized directly in the Club Equity</b>			<b>(1.184)</b>

#### 16.4. Accounted result and taxation expenses conciliation

The conciliation between the accounted result and the taxation expenses is the following:

	Thousands of Euros
Accounted result before taxation	8.758
Permanent differences	(335)
Total Base	8.423
Taxation percentage	25%
<b>Total taxation expenses recognized in the profit and loss account</b>	<b>2.106</b>

#### 16.5. Taxation expenses

The disclosure of the taxation expenses is as follows:

	Thousands of Euros
Due to continued operations	2.106
<b>Total taxation expenses</b>	<b>2.106</b>

#### 16.6. Assets and liabilities due to registered deferred taxes

The detailed balance of these accounts at the end of the Fiscal Year 2008/2009 is the following:

Fiscal Year	Description	Thousands of Euros			
		Deferred tax assets		Deferred tax assets	
		Amount	Taxation effect	Amount	Taxation effect
02/03 to 03/04	Credits due to losses pending to be compensated	75.105	18.776	—	—
03/04 to 06/07	Activated deductions	49.788	5.349	—	—
2001/2002	Deferment for re-investent	—	—	2.476	619
	Subventions	—	—	4.737	1.184
	Altres	2.144	536	—	—
		<b>127.037</b>	<b>24.661</b>	<b>7.213</b>	<b>1.803</b>

The deferred tax assets previously detailed have been registered in the balance sheet because the Board of Directors considers that, according to a better future Club results estimation, including specific fiscal planning actions, it is possible to recover these assets.



On the 30<sup>th</sup> of June 2009 the due date of the tax loss carryforwards registered in the balance sheet was the following:

Fiscal Year	Thousands of Euros		Due date
	Pending to be compensated	Activated fiscal credit	
2002/2003	21.666	5.416	2018
2003/2004	53.439	13.360	2019
<b>Total</b>	<b>75.105</b>	<b>18.776</b>	

Moreover, the due date for deductions pending to be applied and registered in the balance sheet was the following:

Fiscal Year	Thousands of Euros		Due date
	Pending to be compensated	Activated fiscal credit	
2003/2004	2.050	205	2014
2004/2005	37.158	3.716	2015
2005/2006	3.167	316	2016
2006/2007	7.413	1.112	2017
<b>Total</b>	<b>49.788</b>	<b>5.349</b>	

Deferred tax liabilities registered on 30<sup>th</sup> of June 2009, come from the temporary increase of the tax income in the current fiscal year for the value raise of the previous years non-current assets that will be re-invested during the next years through the acquisition of players federation rights. Moreover, they include the fiscal effect associated to grants and donations received by the Club (see Note 2.5).

### 16.7. Deferred tax assets not registered

On the 30<sup>th</sup> of July 2009, the Club has €1.697 thousands in deferred tax assets that come from deductions due to earnings from non-current assets sell during the fiscal year 2007/2008 and €1,251 thousands during fiscal year 2008/2009.

### 16.8. Seasons pending approval and inspection

As a result of a tax inspection by the tax authorities of the main taxes applicable in 1990, 1991, 1992 and the first six months of 1993, the income tax assessments were approved, as it was considered that the Club had correctly settled all items subject to this tax. However, tax assessments were signed on an uncontested basis, basically without imposing the related penalty, with regard to VAT and personal income tax withholdings, mainly in relation to the tax treatment of the rights of publicity of professional sportspeople. On 13 June 2002, the National Appellate Court handed down a decision confirming the stance taken by the Club, whereby exploitation of rights of publicity may be kept separate from the labor relationship with professional sportspeople and that, therefore, these rights may be contracted with third parties. Unfortunately, however, the decision did not invalidate the administrative assessments challenged, alleging, against all evidence, that the Club had not provided the contracts for the assignment of rights of publicity for each sportsperson. On 28 June 2002, the Club filed an appeal in cassation before the Supreme Court.

On the sentence of 1 July 2008, reported to the Club on 29 July 2008, the Supreme Court declined the appeal in cassation of the Club against the sentence of 13 June 2002 of the National Appellate Court. Due to this statement the Taxation Agency has communicated the Club the new IRPF payments owed to be done, which are the following:

	Thousands of Euros		
	Tax Payable	Interests	Total
1990	2.725	3.844	6.569
1991	3.611	4.660	8.271
1992	3.096	3.621	6.718
1993 (1st semester)	1.782	1.985	3.767
	<b>11.214</b>	<b>14.110</b>	<b>25.325</b>

Provisions for these payments were recorded in previous periods (see Note 14.1).

In April 2000 a tax inspection was initiated at the Club for all the main taxes applicable since March 1996, except for income tax for 1995/96. On 8 February and 16 September 2002, tax assessments were signed on a contested basis on various issues, stating expressly that no penalty proceedings should be initiated since it is considered that the Club has always made reasoned and reasonable interpretations of tax regulations. Once again, the tax inspection authorities confirmed that the Club's income tax returns for the periods assessed were correct and raised just one query, common to all Spanish clubs, in relation to the to date uncontested non taxation of income originating from the Financial Restructuring Plan. The fundamental discrepancies between the tax authorities and the Club are once again centered on the tax treatment of contracts for the assignment of rights of publicity for professional sportspeople: the inspection authorities consider that the same criterion as that used in 1990 through 1993 should be applied until June 1997 and, since July 1997, they are of the opinion that the joint ownership regime of the rights of publicity established between the Club and the various companies and the subsequent joint contracting with Televisió de Catalunya should be classified as a simple payment mediation.

Having amended several items included in the initial assessments, the tax authorities handed down tax assessments for a total of EUR 32,678 thousand, which are broken down as follows:

	Thousands of Euros		
	Tax Payable	Interests	Total
Income tax	384	124	508
IRPF (retentions)	17.164	4.961	22.125
IVA	7.192	2.853	10.045
	<b>24.740</b>	<b>7.938</b>	<b>32.678</b>

The Board of Directors considered it prudent to recognise a provision in prior years, in the terms described below, although they remained convinced, together with their legal council, that the outcome of the lawsuits filed will be favorable for the Club. These tax assessments were appealed against at the Central Economic-Administrative Tribunal, the body which accepted the validity of the administrative assessments challenged subject to the pledge of a guarantee other than a bank guarantee.

During previous and the current period the Club has paid €415 thousands related to sentences against the Club which passed by the National Appellate Court last period and that finally were not recognized by the Club. Conversely, during this year the National Appellate Court passed several decisions declaring null and void some tax assessments amounting to EUR 1,300 thousand.

In addition, the Club, subject to fulfillment of a series of conditions, undertook to assume a third-party tax debt totaling EUR 2.4 million if a final judgment is handed down on the settlement made by the tax authorities. The Club has provided a bank guarantee for this commitment.

The tax provision at 30 June 2009 amounts €36,136 thousands and the current year additions rise up to €2,657 thousands (see Note 14.1).

The provision recorded, which includes the amounts that might be charged to the Club's equity, does not consider the VAT that would be subject to repayment and, therefore, in this regard it only considers the questionable VAT on football lottery income, calculates the suspended interest theoretically accrued and includes the amount of the guarantee mentioned above granted by the Club in the benefit of a third party for tax contingencies totaling EUR 2.4 million.

In accordance with current legislation, the Club has the main applicable taxes open for review from 2005, excluding income tax for 2004/2005. As a result, among others, of the varying interpretations which can be made of current tax legislation, in addition to the tax assessment proposed above, other liabilities might arise as a result of a tax inspection.

However, the Board members consider that should they arise, the provision recorded provides adequate cover for any possible tax liabilities.



## 17. Accruals

At 30 June 2009, the headings “Non-current accruals and deferred income”, “Current accruals and deferred income” and “Current prepayments and accrued incomes” are broken down as follows:

	Thousands of Euros		
	Assets	Liabilities	
	Short Term	Short Term	Long Term
Pluriannual Agreements	—	73.028	22.440
Subscriptions and members	—	9.176	—
Other Accruals	3.708	1.355	—
	<b>3.708</b>	<b>83.559</b>	<b>22.440</b>

### **Pluriannual Agreements:**

The Club has granted various exclusive agreements until the 2012/2013 season which are basically for sports, social or cultural purposes and which will foreseeably generate future income for the Club of approximately EUR 707,104 thousand. The income earned in the year on these agreements is recorded under the heading “Revenue” in the accompanying income statement. The unearned amounts collected are recorded under “Deferred Income” in the balance sheet.

These agreements will be recognised in income in future seasons according to the following estimate:

	Thousands of Euros
2009/2010	182.840
2010/2011	174.705
2011/2012	176.408
2012/2013	173.151
	<b>707.104</b>

The services owned by the Club continued to be progressively marketed, as in prior years, under specific pluriannual agreements. The most significant marketable assets or rights, together with the term of the related agreements, are detailed below.

#### *a) Sports material sponsorship*

Contract dated 25 October 2006 with Nike Europe BV, through which the Club appoints Nike as the exclusive technical sponsor and supplier of products used in the practice of sports. The Club also appoints Nike as the exclusive and non-exclusive licensee to sell sponsorship products that incorporate ownership rights. The contract will come into force on 1 July 2008 and will initially run for a term of five years, although it establishes the possibility of renewal for another five-year period, approved by the General Members Meeting of on 29 August 2007. The minimum amount guaranteed per season is EUR 30 million. Following the billing schedule approved in this agreement, at 30 June 2009, the Club has billed the first amount concerning to the 2009/2010 season which it has registered as “Accrual accounts” amounting to EUR 15,000 thousand.

*b) Televised broadcasting*

Contract signed on 5 May 2006 with Mediaproducción, S.L. for the assignment of the televised image, audio-visual and radio operating rights for the teams of the Club's sports sections in Spanish competitions and certain friendly matches in the seasons from 2008/2009 to 2012/2013. The economic conditions establish that the Club will receive a fixed minimum amount per season plus a variable amount which will vary according to the number of friendly matches played and the category of the rival team.

On the date on which the contract was signed Mediaproducción, S.L. paid the Club a nonrefundable contract premium or signing premium of EUR 20 million plus the related VAT, which the Club recorded as "Long Term Accruals". At 30 June 2009, the Club has registered EUR 12 millions in this heading and EUR 4 million in the heading "Short Term Accruals". Also, the Club registered EUR 4 millions in this season's income statements.

Likewise, following the billing schedule approved in this agreement, at 30 June 2009, the Club has billed the two firsts terms concerning the season 2009/10 which it has registered as "Short Term Accruals" in the balance sheet for an amount of EUR 37,300 thousands. Additionally, the Club registered the earning of EUR 10,005 thousands concerning July 2009.

In compliance with certain temporary conditions, the Club may recover the right which is the subject matter of the contract relating to the 2011/12 and 2012/13 seasons, if it receives a firm offer for at least five seasons from 2011/12 through 2015/16 and which exceeds, by a certain amount, the figure agreed upon with Mediaproducción, S.L., unless Mediaproducción, S.L. matches the offer received, in which case the rights will not be recovered although the price will be updated on the basis of the offer received.

*c) Advertising Sponsorship*

Agreement signed at 7 May 2009 with Televisió de Catalunya, S.A. for the assignment of certain sponsorship and advertising rights. The contract will imply a yearly income of EUR 15 millions until the 2012/13 season. The Club registered this season incomes from this contract of EUR 3,000 thousands. At 30 June 2009, the equity and liabilities of the balance sheet includes EUR 10,440 and EUR 3,480 thousands in the headings "Long Term Accruals" and "Short Term Accruals" respectively, which concerns to imports deducted through a financial entity related to the sponsorship contract.

*d) License and sponsorship rights and retail transactions*

At 27 February 2009, the Club signed a new contract with Nike European Operations Netherlands B.V. with retrospective date of 1 July 2008 and expiration date of 30 June 2013, in which the Club transfers to Nike the exclusive license and marketing rights of certain products and services, as well as the exploitation rights of "La Botiga" aligned with the management model valid until 30 June 2008, but with a more significant participation in the results generated by the exploitation of the given rights.

**Subscriptions and members:**

The Club registered in this caption the 2009 deferred part of members' fees.

**18. Foreign currency balances and transactions**

There are not significant transactions in foreign currency. Furthermore, there are not significant balances up to 30<sup>th</sup> June 2009.

## 19. Income and expenses

### 19.1. Revenue

The distribution of revenue, by activity, is as follows:

Activities	Thousands of Euros
Income from competitions:	
Football:	
Spanish competitions	28.390
International competitions	7.655
Tours	5.249
Friendly matches	2.059
Other	658
Basketball	1.377
Handball	101
Hockey	10
Other	9
Income from members	17.704
Income from season ticket-holders	32.291
Income from televised broadcasting and rights	135.573
Marketing and advertising income (*)	111.957
<b>Total</b>	<b>343.033</b>

(\*) Including marketing income for participation in the Champions League

### 19.2. Other operating income

The breakdown of "Other Operating Income" is as follows:

	Thousands of Euros
Museum and other operations	22.001
Other	806
Operating subsidies	71
<b>Total</b>	<b>22.878</b>

### 19.3. Staff costs

The heading "Staff costs" of the income statement is broken down as follows:

	Thousands of Euros
<b>Wages and salaries of sports personnel:</b>	
Fixed wages and salaries	113.992
Variable compensation	58.259
Compensation for rights of publicity	48
Severance Costs	521
Other	169
<b>Wages and salaries of non-sports personnel:</b>	
Wages and salaries	19.385
Severance costs	1.727
Other	176
<b>Welfare expenses:</b>	
Social security costs	6.158
Contributions to external pension fund	650
Other employee welfare expenses	227
<b>Total</b>	<b>201.312</b>

The section "Variable compensation" includes € 9,568 thousands from UEFA-Champions League next season classification fee. The relevant loss has been registered the current season; however, the relevant income for participation will be registered the following fiscal year.

### 19.4. Other operating expenses

This heading in the accompanying income statement includes the amounts incurred by the Club in connection with rights of publicity for players and trainers composing the Club's sports payroll.

The amount incurred in 2008/09 totals EUR 15,620 thousand is distributed as follows:

(Thousands of Euros)	Contract average	2008/09
Football	4,06 anys	13.800
Basketball	3,10 anys	1.709
Handball and Other	6 anys	111
		<b>15.620</b>

### 19.5. Finance income and finance costs

The detail of the finance income and finance costs calculated by applying the effective interest method is as follows (in thousands of euros):

	Thousands of Euros	
	Finance Income	Finance Costs
Application of the effective interest method	1.526	15.236

## 20. Remunerations of directors and senior executives

As established in the Club's bylaws, no compensation of any kind was paid to or earned by Board members.

The breakdown of the remuneration earned by the Executive Committee, including the estimated variable remunerations at 30 June 2009, is as follows:

	Thousands of Euros		
	Salaries	Pension Plans	Severance Costs
Executive Committee	2.052	55	622

No advances or loans were paid to the Executive Committee members.

## 21. Other Information

### 21.1. Employee

The average number of employees at the Club in 2008/09, by category, was as follows:

Categories	Male	Female	Total
Management	13	—	13
Professional sports personnel	665	50	715
Clerical staff	136	122	258
Other (facilities, medical services and other)	47	27	74
<b>Total</b>	<b>861</b>	<b>199</b>	<b>1.060</b>

Likewise, the gender distribution at the end of the season, by categories, was as follows:

Categories	30/06/09		
	Male	Female	Total
Management	13	—	13
Professional sports personnel	651	42	693
Clerical staff	135	122	257
Other (facilities, medical services and other)	46	26	72
<b>Total</b>	<b>845</b>	<b>190</b>	<b>1.035</b>

The Board of Directors is formed by 16 male and 2 female.

### 21.2. Fees

The fees budgeted for 2008/09 by Deloitte, S.L. for audit services amounted to EUR 127,000. Additionally, the Club has disbursed an amount of EUR 52 thousand in concept of other professional services carried out by the main auditor and other associated organizations.

	Audit	Other professional services
Deloitte, S.L.	127	52
<b>Total</b>	<b>127</b>	<b>52</b>

### 22. Balance sheets by sports sections

The Club has applied the following allocation methods among the various sections in the supplementary information on the balance sheet by sports section:

- Assets and liabilities which, by nature, are allocable to each sports activity were allocated directly to the related section.
- Assets and liabilities not directly allocable to a sports activity were allocated to "Other Club Activities".

The balance sheet by sports sections at 30 June 2009 is provided in Appendix I, which is an integral part of this note.

### 23. Analytical income statements by sports section

The Club has applied the following allocation methods among the various sections in the supplementary information on the analytical income statements by sports section:

- Income and expenses which, by nature, are allocable to each sports activity were allocated directly to the related section.

The analytical income statement for the sports sections for 2008/09 is provided in Appendix II, which is an integral part of this note.

### 24. Budget Settlement

Appendix III shows the budget for the 2008/09 season approved by the General Assembly held on 24 August 2008, compared with the settlement for the year ended 30 June 2009. The settlement has same structure and was prepared in accordance with the same methods as the income statement in the financial statements.

### 25. Post Balance Sheet Events

At 16 July 2009, the Club was notified of the sentence of the litigation held with Audiovisual Sport, S.L. and Televisió de Catalunya, which has been favourable to Futbol Club Barcelona's interests (see Note 14.2).

After the financial year end, the Club signed contracts to de federative rights acquisition of players Scherrer Cabelino Maxwell and Sjarhei Rutenka for an amount of EUR 4.5 and 1 millions each.



## APPENDIX I

Translation of a report originally issued in Catalan based on our work performed in accordance with generally accepted auditing standards in Spain and of financial statements originally issued in Catalan and prepared in accordance with generally accepted accounting principles in Spain.  
In the event of a discrepancy, the Catalan-language version prevails.

**Balance sheet per sections at 30 June 2009**

(Expressed in thousands of Euros)

	First Team	Youth System	Basketball	Handball	Hockey	Other sections	Other club activities	Total
<b>NON-CURRENT ASSETS:</b>								
Intangible assets	120.265	308	1.242	751	5	2.874	—	125.446
Property, plant and equipment	713	804	—	—	—	—	112.089	113.605
Building investments	—	—	—	—	—	—	20.401	20.401
Long term financial investments	3.062	—	2.280	40	3	104	60.491	65.980
Deferred tax assets	—	—	—	—	—	—	24.661	24.661
<b>Total non current assets</b>	<b>124.039</b>	<b>1.111</b>	<b>3.522</b>	<b>792</b>	<b>8</b>	<b>2.979</b>	<b>217.641</b>	<b>350.093</b>
<b>CURRENT ASSETS:</b>								
Non-current assets kept for sale	—	—	—	—	—	—	4.531	4.531
Commercial debtors and other accounts payable	9.717	—	1.085	32	—	32	123.147	134.012
Short term financial investments	—	460	—	—	—	—	7.071	7.531
Current prepayments and accrued income	1.413	—	—	—	—	—	2.295	3.708
Cash and equivalents	—	—	—	—	—	—	10.269	10.269
<b>Total current assets</b>	<b>11.130</b>	<b>460</b>	<b>1.085</b>	<b>32</b>	<b>—</b>	<b>32</b>	<b>147.312</b>	<b>160.051</b>
<b>TOTAL ASSETS</b>	<b>112.909</b>	<b>651</b>	<b>2.438</b>	<b>760</b>	<b>8</b>	<b>2.946</b>	<b>70.329</b>	<b>510.144</b>
<b>EQUITY:</b>								
<b>SHAREHOLDERS' EQUITY-</b>								
Endowment Fund	—	—	—	—	—	—	(12.778)	(12.778)
Reserves	—	—	—	—	—	—	2.139	2.139
Fiscal Year result	—	—	—	—	—	—	(6.652)	(6.652)
<b>Grants, donations or gifts and legacies received</b>	<b>(2.841)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(712)</b>	<b>(3.553)</b>
<b>Total equity</b>	<b>(2.841)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(18.003)</b>	<b>(20.844)</b>
<b>NON-CURRENT LIABILITIES:</b>								
Long term provisions	—	—	—	—	—	—	(61.131)	(61.131)
Long term debt	(42.499)	—	(410)	(172)	(260)	(80)	(581)	(44.003)
Deferred tax liabilities	—	—	—	—	—	—	(1.802)	(1.803)
Non-current accruals and deferred income	—	—	—	—	—	—	(22.440)	(22.440)
<b>Total non-current liabilities</b>	<b>(42.499)</b>	<b>—</b>	<b>(410)</b>	<b>(172)</b>	<b>(260)</b>	<b>(80)</b>	<b>(85.954)</b>	<b>(129.379)</b>
<b>CURRENT LIABILITIES:</b>								
Short term debt	—	—	—	—	—	—	(29.795)	(29.795)
Commercial creditors and other accounts payable	(49.869)	—	—	(220)	(330)	—	(196.150)	(246.569)
Current accruals and deferred income	(1.025)	—	—	(18)	(5)	(51)	(82.461)	(83.559)
<b>Total current liabilities</b>	<b>(50.894)</b>	<b>—</b>	<b>—</b>	<b>(238)</b>	<b>(335)</b>	<b>(51)</b>	<b>(308.406)</b>	<b>(359.923)</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>(96.234)</b>	<b>—</b>	<b>(410)</b>	<b>(410)</b>	<b>(595)</b>	<b>(131)</b>	<b>(412.363)</b>	<b>(510.144)</b>

This appendix forms part of Note 22 in the review of the yearly accounts.

# APPENDIX II

## Income statement detailed by sections at 30 June 2009

(Expressed in thousands of Euros)

	First Team	Youth System	Basketball	Handball	Hockey	Other sections	Other club activities	Total
<b>CONTINUING OPERATIONS:</b>								
<b>Revenue-</b>	<b>292.809</b>	<b>759</b>	<b>5.673</b>	<b>844</b>	<b>483</b>	<b>1.265</b>	<b>41.202</b>	<b>343.033</b>
Service providing revenue	292.809	759	5.673	844	483	1.265	41.202	343.033
<b>Procurements-</b>	<b>(1.330)</b>	<b>(650)</b>	<b>(511)</b>	<b>(255)</b>	<b>(310)</b>	<b>(966)</b>	<b>(1.579)</b>	<b>(5.601)</b>
Other procurements	(1.205)	(650)	(511)	(255)	(310)	(966)	(1.540)	(5.437)
Impairment of goods held for resale, raw materials and other supplies	(125)	—	—	—	—	—	(39)	(164)
<b>Other operating income-</b>	<b>3.499</b>	<b>(29)</b>	<b>489</b>	<b>84</b>	<b>5</b>	<b>191</b>	<b>18.640</b>	<b>22.877</b>
Non-core and other current operating income	3.499	(48)	489	75	5	147	18.640	22.807
Income-related grants transferred to profit or loss	—	19	—	9	—	43	—	71
<b>Staff costs-</b>	<b>(137.238)</b>	<b>(11.200)</b>	<b>(18.940)</b>	<b>(4.481)</b>	<b>(1.931)</b>	<b>(4.938)</b>	<b>(22.583)</b>	<b>(201.312)</b>
Sporting staff wages	(135.323)	(9.618)	(17.874)	(3.986)	(1.653)	(4.368)	(167)	(172.989)
Regular staff wages	(1.268)	(592)	(581)	(130)	(117)	(132)	(18.468)	(21.288)
Employee benefit costs	(646)	(991)	(486)	(365)	(160)	(438)	(3.948)	(7.035)
<b>Other operating expenses-</b>	<b>(47.573)</b>	<b>(8.521)</b>	<b>(6.567)</b>	<b>(1.527)</b>	<b>(459)</b>	<b>(1.641)</b>	<b>(25.975)</b>	<b>(92.263)</b>
Outside services	(31.611)	(6.251)	(4.764)	(812)	(236)	(637)	(20.909)	(65.218)
Taxes other than income tax	(1.030)	(791)	(5)	(6)	—	(1)	(22)	(1.855)
Losses on, impairment of and change in allowances for trade receivables	(4.760)	—	—	—	—	—	—	(4.760)
Other current operating expenses	(10.172)	(1.479)	(1.798)	(709)	(223)	(1.004)	(5.044)	(20.430)
<b>Depreciation and amortisation charge</b>	<b>(53.171)</b>	<b>(483)</b>	<b>(904)</b>	<b>(226)</b>	<b>(6)</b>	<b>(282)</b>	<b>(7.455)</b>	<b>(62.526)</b>
<b>Allocation to profit or loss of grants related to non-financial non-current assets and other grants</b>	<b>228</b>	<b>245</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>473</b>
<b>Impairment and gains or losses on disposals of non-current assets-</b>	<b>16.973</b>	<b>593</b>	<b>4</b>	<b>41</b>	<b>—</b>	<b>—</b>	<b>76</b>	<b>17.687</b>
Gains or losses on disposals and other	16.973	593	4	41	—	—	76	17.687
<b>Other</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>9</b>	<b>9</b>
<b>PROFIT/LOSS FROM OPERATIONS</b>	<b>74.198</b>	<b>(19.287)</b>	<b>(20.757)</b>	<b>(5.520)</b>	<b>(2.218)</b>	<b>(6.372)</b>	<b>2.334</b>	<b>22.378</b>
<b>Finance income-</b>	<b>353</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1.173</b>	<b>1.526</b>
From marketable securities and other financial instruments-	353	—	—	—	—	—	1.173	1.526
Third parties	353	—	—	—	—	—	1.173	1.526
<b>Finance costs-</b>	<b>(7.773)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(7.463)</b>	<b>(15.236)</b>
On debts to third parties	(7.773)	—	—	—	—	—	(7.463)	(15.236)
<b>Exchange differences</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>90</b>	<b>90</b>
<b>FINANCIAL PROFIT/LOSS</b>	<b>(7.421)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(6.200)</b>	<b>(13.621)</b>
<b>PROFIT/LOSS BEFORE TAX</b>	<b>66.777</b>	<b>(19.287)</b>	<b>(20.757)</b>	<b>(5.520)</b>	<b>(2.218)</b>	<b>(6.372)</b>	<b>(3.866)</b>	<b>8.758</b>
<b>Income tax</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(2.106)</b>	<b>(2.106)</b>
<b>PROFIT/LOSS FOR THE YEAR FROM CONTINUING OPERATIONS</b>	<b>66.777</b>	<b>(19.287)</b>	<b>(20.757)</b>	<b>(5.520)</b>	<b>(2.218)</b>	<b>(6.372)</b>	<b>(5.972)</b>	<b>6.652</b>
<b>PROFIT/LOSS FOR THE YEAR</b>	<b>66.777</b>	<b>(19.287)</b>	<b>(20.757)</b>	<b>(5.520)</b>	<b>(2.218)</b>	<b>(6.372)</b>	<b>(5.972)</b>	<b>6.652</b>

Included for comparison purposes (see Note 2.4.2).





## APPENDIX III

**Budget and budget settlement for the year ended 30 June 2009**

(Expressed in thousands of euros)

	Budget for 2008/09	Settlement 2008/09
<b>CONTINUING OPERATIONS:</b>		
<b>Revenue-</b>	<b>356.579</b>	<b>343.033</b>
Service providing revenue	356.579	343.033
<b>Procurements-</b>	<b>(18.298)</b>	<b>(5.601)</b>
Other procurements	(18.298)	(5.436)
Impairment of goods held for resale, raw materials and other supplies	—	(165)
<b>Other operating income-</b>	<b>22.440</b>	<b>22.877</b>
Non-core and other current operating income	21.792	22.807
Income-related grants transferred to profit or loss	648	71
<b>Staff costs-</b>	<b>(183.482)</b>	<b>(201.312)</b>
Sporting staff wages	(155.476)	(172.989)
Regular staff wages	(20.322)	(21.288)
Employee benefit costs	(7.684)	(7.035)
<b>Other operating expenses-</b>	<b>(87.009)</b>	<b>(92.263)</b>
Outside services	(67.616)	(65.219)
Taxes other than income tax	(1.357)	(1.855)
Losses on, impairment of and change in allowances for trade receivables	—	(4.760)
Other current operating expenses	(18.035)	(20.430)
<b>Depreciation and amortisation charge</b>	<b>(66.211)</b>	<b>(62.526)</b>
<b>Allocation to profit or loss of grants related to non-financial non-current assets and other grants</b>	<b>—</b>	<b>473</b>
<b>Impairment and gains or losses on disposals of non-current assets-</b>	<b>981</b>	<b>17.688</b>
Gains or losses on disposals and other	981	17.688
<b>Other</b>	<b>—</b>	<b>9</b>
<b>PROFIT/LOSS FROM OPERATIONS</b>	<b>25.000</b>	<b>22.379</b>
<b>Finance income-</b>	<b>500</b>	<b>1.526</b>
From marketable securities and other financial instruments-	500	1.526
Third parties	500	1.526
<b>Finance costs-</b>	<b>(10.500)</b>	<b>(15.236)</b>
On debts to third parties	(10.500)	(15.236)
<b>Exchange differences</b>	<b>—</b>	<b>90</b>
<b>FINANCIAL PROFIT/LOSS</b>	<b>(10.000)</b>	<b>(13.621)</b>
<b>PROFIT/LOSS BEFORE TAX</b>	<b>15.000</b>	<b>8.758</b>
Income taxes	(4.375)	(2.106)
<b>PROFIT/LOSS FOR THE YEAR FROM CONTINUING OPERATIONS</b>	<b>10.625</b>	<b>6.652</b>
<b>PROFIT/LOSS FOR THE YEAR</b>	<b>10.625</b>	<b>6.652</b>

This appendix forms part of Note 24 in the review of the yearly accounts.

# FUTBOL CLUB BARCELONA

## Director's Report for the Year Ended 30 June 2009

Translation of a report originally issued in Catalan based on our work performed in accordance with generally accepted auditing standards in Spain and of financial statements originally issued in Catalan and prepared in accordance with generally accepted accounting principles in Spain.  
In the event of a discrepancy, the Catalan-language version prevails.

The Year Ended 30 June 2009 has kept its course of action of income consolidation since the current Board of Directors took control of the club in June 2003. In addition, as a result of the global financial crisis, the 15% income growth experimented, in comparison with the last season, becomes even more relevant.

The excellent sportive results obtained by all sport sections, but in particular the impressive performance by the Football First Team has entailed extraordinary expenses, bonus, that have been compensated by the reduction of operating expenses and the increase of the previously aforementioned income.

Finally, the EURO 8,758 thousands result before TAX permits to state that the management model is robust and sustainable even when the global financial crisis impacts negatively on the income and the expenses increase mainly driven by the current season sport successes.

### **Operating income**

Overall, the Club increased its turnover 15%, from EUR 333,812 thousands to EUR 384,823 thousands. The EUR 51,011 thousands variation reflects and homogenous and balanced growth of all business lines. However, it should be emphasized the economic contribution made by the new commercial contracts with key partners like Mediapro and Nike.

Another issue that has also submitted a 12% raise has been the income derived from ticket sales, despite that during the first half of the season ticket sales were slightly lower than the previous season. Consequently, the year ended increment shows the success of the reform of what is called "Seient Lliure" approved by the Board of Directors back in December 2008.

Concerning the incomes derived from player rights transfers, there's been a 23% decreased compared to the previous year, from EUR 18,316 thousands to EUR 23,896 thousands. In addition, during the current season there haven't been incomes derived from property or any other assets sales.

### **Operating Expenses**

The operating expenses rose in concordancy with the more activity developed by the Club, from EUR 317,210 thousands last season to EUR 362,445 thousands this season, which represents an increase of 14%, lower than the income's growth.

The most significant increase happened, because the Club won the three main football competitions, in the player's variable remuneration that have risen to EUR 58,259 thousands, when last season, when any championship was achieved, that remunerations were just EUR 25,969 thousands. However, the ratio of sports personnel salary costs to operating income for this season was 54.18% closely approaching the 55% ratio defined as the optimum indicator by Deloitte & Touche's Sports Business Group.

Regarding the non-sport personnel salaries, they rose from EUR 21,294 thousands last season to EUR 25,914 thousands this season, being the restructuring costs the most important increase. As a consequence of this restructuring, the number of employees in the Club decreased from 350 at 30 June 2008 to 342 at 30 June 2009.

Regarding the maintenance expenses of the Club facilities, they rose a 19%, mainly because an increase in the activity in the "Ciutat Esportiva Joan Gamper".

**Operating result**

The profit before financing result, EUR 22,378 thousands, rose a 35% in comparison to EUR 16,602 in the 2007/08 season. This fact shows, once again, the strength of the Club's economic management despite the current economic environment.

**Financial expenses and debt**

The financial expenses rose this season from EUR 8,570 thousand to EUR 15,562 thousands because of two main reasons. On one hand, the financial expenses generated by the Sogecabel sentence and on the other hand the financial expenses derived from the unpaid of EUR 29,126 thousands by Audiovisual Sport, S.L. In order to face this one, during March of 2009, the Club signed a loan for the same amount of EUR 29,100 thousands. In 26 June 2009 sentence, a Barcelona's Court condemned Audiovisual Sport, S.L. and Televisió de Catalunya, to pay to Futbol Club Barcelona the amount of EUR 29,126 thousands plus interests and costs, which will allow the Club to pay the loan of the only bank debt that the Club had at 30 June 2009.

During October 2008, the Club canceled the bank debt of the A part of the syndicated loan and in November started a treasury deposit to warrant the B part of the EUR 35,234 thousands guarantee at 30 June 2009.

**2009/2010 Objectives**

The Club's target income for the 2009/10 season amounts to EUR 405,000 thousands, exceeding 400 millions for the first time. Most of this growth will be achieved through the income earned from the sport success achieved last season.

The expenses will increase during the 2009/10 season up to EUR 375,000 thousands. Most of this growth will be the sport personnel salaries that will increase by a 7.5% because of the contract seeings of certain football players and the depreciation of last signed players. In spite of this, the ratio of sports personnel salary costs to operating income will be kept at 55% defined as optimum. Regarding non sport salaries, they won't keep growing. Finally operating expenses will be reduced close to a 7% in comparison to this season.

The objectives of attaining income from operations of EUR 30,000 thousands and income before tax of EUR 20,000 thousands will enable the Club to continue obtaining the economic and sports targets set by the Club.

Barcelona, at 20 July 2009.

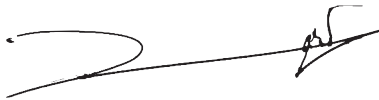
FUTBOL CLUB BARCELONA

# FUTBOL CLUB BARCELONA

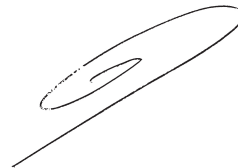
## Assessment of Yearly Accounts as of 30th of June, 2009

On the 20th of July, 2009, the Board of Directors put together the yearly accounts for the period ending the 30th of June, 2009 that show the Current Balance, Profit and Loss Accounts, Distribution of Assets, Cash Flow, Annual Report (Pages 1 to 40), Appendices to Reports I, II, III as well as a Management Report.

In the name of the Board of Directors, the below sign each and every one of the pages that form the yearly accounts:



Sr. Joan Laporta i Estruch  
President



Sr. Joan Boix i Sans  
Financial Vice-President and Treasurer



Sr. Josep Cubells i Ribé  
Secretary