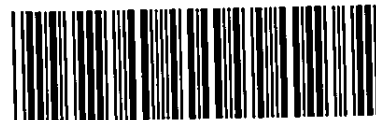


The Blackpool Football Club Limited
Directors' report and financial statements
for the year ended 31 May 2008

SATURDAY



AC6N68JC

A13

28/03/2009

108

COMPANIES HOUSE



The Blackpool Football Club Limited

Company information

Directors	Mr K S Oyston	
	Mr O J Oyston	
	Mrs V Oyston	Wife of Mr O J Oyston
	Mr G Steele	
	Mr V Belokon	
	Mr N Malnacs	Resigned 28 August 2008
Secretary	Mr Roderick Dyer	
Company number	48409	
Registered office	Bloomfield Road Blackpool FY1 6JJ	
Auditors	A I Cherry Limited Chartered Accountants and Registered Auditors 26 Winckley Square Preston PR1 3JJ	
Business address	Bloomfield Road Blackpool FY1 6JJ	
Bankers	National Westminster Bank plc Lytham Road South Shore Blackpool FY4 1DY	
	HSBC Bank plc Oxford Square Blackpool FY4 4YH	



The Blackpool Football Club Limited

Contents

	Page
Directors' report	1 - 3
Auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 - 18



The Blackpool Football Club Limited

Directors' report for the year ended 31 May 2008

The directors present their report and the financial statements for the year ended 31 May 2008.

Principal activity and review of the business

The principal activity of the company is that of a professional football club, which has continued throughout the year.

Fair Review

Last season was the Club's first season in the Championship, the second tier of English professional football. The Club by finishing 19th in the league maintained its Championship status for the following season.

In the F A Cup the Club lost to Barnsley in the third round, in the Carling Cup however there was a creditable run to the fourth round beating Huddersfield (L1), Derby (Premiership) and Southend (L1) before losing to the eventual winners Tottenham Hotspur (Premiership) at White Hart Lane. A run that considerably helped gate receipt revenue.

With Championship status and the Carling Cup run, there were significant increases in revenue from gate receipts and season tickets on the previous year of £436,000. There were also increases in Football League distributions associated with being in a higher league of £1,300,000. These increases were offset by increased expenditure on players and coaching staff wages and bonuses of £1,300,000 to help achieve competitiveness at the higher level. There were significant football related losses of which were offset by profits from Gold Bond, the Conference and Catering business and Serviced accommodation income to give the results on page 6.

Prospects for the club are still good with turnover expected to be maintained at the 2007/2008 level from participation in the Championship.

The principal risks to the business remain poor results on the football field, relegation back to League 1, poor cup runs and drops in league attendances.

Results and dividends

The results for the year are set out on page 6.

The directors do not recommend payment of a final dividend.

As shown in the financial statements the company made a loss of £357,474 (2007: 466,211)

The Blackpool Football Club Limited

Directors' report for the year ended 31 May 2008

..... continued

Directors and their interests

The directors who served during the year and their respective interests in the parent company, Segesta Limited are as stated below:

		Class of share	31/05/08	01/06/07 or date of appointment
Mr K S Oyston		Ordinary shares	25	25
Mr O J Oyston		Ordinary shares	1,604,694	1,604,694
Mrs V Oyston	Wife of Mr O J Oyston	Ordinary shares	1,955	1,955
Mr G Steele		Ordinary shares	-	-
Mr V Belokon		Ordinary shares	-	-
Mr N Malnacs	Resigned 28 August 2008	Ordinary shares	-	-

None of the directors held any shares in The Blackpool Football Club Limited

V B Football Assets Limited, a company owned and controlled by the director Mr V Belokon holds 7,500 ordinary shares of £1 each in The Blackpool Football Club Limited.

Zabaxe Limited, a company owned and controlled by Mr O J Oyston holds 62,976 ordinary shares of £1 each in the parent company.

Charitable and Political Contributions

During the year the company contributed £13,036 to charities.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



The Blackpool Football Club Limited

**Directors' report
for the year ended 31 May 2008**

..... continued

The directors of a company must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A I Cherry Limited have indicated their willingness to be appointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an AGM under section 487(2) of the Companies Act 2006.

This report was approved by the Board on 24 March 2009 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'R. J. Dyer'.

Mr Roderick Dyer
Secretary



The Blackpool Football Club Limited

Independent auditors' report to the shareholders of The Blackpool Football Club Limited

We have audited the financial statements of The Blackpool Football Club Limited for the year ended 31 May 2008 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and the auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

The Blackpool Football Club Limited

Independent auditors' report to the shareholders of The Blackpool Football Club Limited continued

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 May 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



A I Cherry Limited
Chartered Accountants and
and Registered Auditors

Date: 27th June 2009

26 Winckley Square
Preston
PR1 3JJ

The Blackpool Football Club Limited

**Profit and loss account
for the year ended 31 May 2008**

Continuing operations			
		2008	2007
	Notes	£	£
Turnover	2	7,232,054	4,833,459
Cost of sales		(1,138,884)	(915,434)
Gross profit		6,093,170	3,918,025
Administrative expenses		(6,230,414)	(4,563,684)
Operating loss before players' transfer fees	3	(137,244)	(645,659)
Players' transfer fees	4	(275,184)	155,667
Loss on ordinary activities before interest		(412,428)	(489,992)
Other interest receivable and similar income	5	60,144	34,009
Interest payable and similar charges	6	(5,190)	(10,228)
Loss on ordinary activities before taxation		(357,474)	(466,211)
Tax on loss on ordinary activities		-	-
Loss for the year	15	(357,474)	(466,211)

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 9 to 18 form an integral part of these financial statements.

The Blackpool Football Club Limited

**Balance sheet
as at 31 May 2008**

	Notes	2008	2007
		£	£
Fixed assets			
Intangible assets	8	319,309	137,643
Tangible assets	9	109,921	56,072
		<u>429,230</u>	<u>193,715</u>
Current assets			
Stocks	10	66,496	42,930
Debtors	11	518,069	926,456
Cash at bank and in hand		1,309,628	1,746,385
		<u>1,894,193</u>	<u>2,715,771</u>
Creditors: amounts falling due within one year	12	<u>(3,064,604)</u>	<u>(2,890,441)</u>
Net current liabilities		<u>(1,170,411)</u>	<u>(174,670)</u>
Total assets less current liabilities		<u>(741,181)</u>	<u>19,045</u>
Creditors: amounts falling due after more than one year	13	(3,438,464)	(3,841,215)
Capital and reserves			
Called up share capital	14	37,500	37,500
Share premium account	15	1,860,174	1,860,174
Other reserves	15	2,335	2,335
Profit and loss account	15	(6,079,654)	(5,722,179)
Shareholders' funds	16	<u>(4,179,645)</u>	<u>(3,822,170)</u>
		<u>(741,181)</u>	<u>19,045</u>

The financial statements were approved by the Board on 24 March 2009 and signed on its behalf by


Mr K S Oyston
Director

The notes on pages 9 to 18 form an integral part of these financial statements.

The Blackpool Football Club Limited

**Cash flow statement
for the year ended 31 May 2008**

	Notes	2008 £	2007 £
Reconciliation of operating loss to net cash outflow from operating activities			
Operating loss		(412,428)	(489,992)
Amortisation of players transfer fees		282,834	(77,517)
Depreciation		37,747	16,952
(Increase) in stocks		(23,566)	18,938
Decrease in debtors		408,387	(523,039)
(Decrease) in creditors		(362,073)	1,404,088
Net cash outflow from operating activities		<u>(69,099)</u>	<u>349,430</u>
Cash flow statement			
Net cash outflow from operating activities		(69,099)	349,430
Returns on investments and servicing of finance	21	54,954	23,781
Capital expenditure	21	(556,098)	(76,796)
		(570,243)	296,415
Financing	21	-	1,800,000
Increase / (Decrease) in cash in the year		<u>(570,243)</u>	<u>2,096,415</u>
Reconciliation of net cash flow to movement in net debt (Note 22)			
Increase / (Decrease) in cash in the year		(570,243)	2,096,415
Cash outflow from decrease in debts and lease financing		-	-
New finance leases and hire purchase contracts		(33,142)	(12,644)
Movement in net debt in the year		(603,385)	2,083,771
Net debt at 1 June 2007		<u>1,721,573</u>	<u>(362,198)</u>
Net funds at 31 May 2008		<u>1,118,188</u>	<u>1,721,573</u>

The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax and transfer fees, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Computer equipment	-	33 1/3% Straight Line on cost
Plant, machinery and catering equipment	-	10% Straight Line on cost
Motor Vehicles	-	30% Straight line on cost

1.4. Players' Contracts

Transfer fees in respect of players' contracts are capitalised at cost and amortised over the period of the contracts.

1.5. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.6. Stock

Stock is valued at the lower of cost and net realisable value.



The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

..... continued

1.7. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.8. Going concern

The accounts are prepared on the going concern basis as the parent company has confirmed that it will make available all sufficient financial resources to support the ongoing activities of the company.

1.9. Grants receivable

Football Association and Football Trust grants are recognised in the profit and loss account so as to match them with expenditure towards which they are intended to contribute.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK. The amount of barter transactions for advertising in turnover is nil (2007: £16,908).

The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

..... continued

3. Operating loss	2008	2007
	£	£
Operating loss is stated after charging:		
Depreciation and other amounts written off intangible assets	282,834	81,483
Depreciation and other amounts written off tangible assets	37,747	24,173
Loss on disposal of tangible fixed assets	-	1,775
Operating lease rentals		
- Plant and machinery	4,981	6,995
Auditors' remuneration	8,781	8,150
Auditors' remuneration from non-audit work	4,115	1,764
and after crediting:		
Donations from Development Association	376,921	259,400
Grants receivable	58,575	130,000
	<u>282,834</u>	<u>81,483</u>
 4. Players' transfer fees		
The (credit)/charge for players' transfer fees comprises	2008	2007
	£	£
Amortisation of transfer fees	282,834	81,483
Additional transfer fees received	(35,000)	(250,000)
Transfer fee levy	27,350	12,850
	<u>275,184</u>	<u>(155,667)</u>
 5. Interest receivable and similar income	2008	2007
	£	£
Bank interest	60,144	34,009
	<u>60,144</u>	<u>34,009</u>
 6. Interest payable and similar charges	2008	2007
	£	£
On bank loans and overdrafts	21	8,145
Hire purchase interest	5,169	2,083
	<u>5,190</u>	<u>10,228</u>

The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

..... continued

7. Employees

Number of employees	2008	2007
The average monthly numbers of employees (including the directors) during the year were:		
Footballers, coaches and managers	37	45
Administrative staff	25	23
Catering staff	40	36
	<u>102</u>	<u>104</u>
Employment costs	2008	2007
	£	£
Wages and salaries	4,308,344	3,181,170
Social security costs	515,079	254,669
Other pension costs	3,146	3,432
	<u>4,826,569</u>	<u>3,439,271</u>

8. Intangible fixed assets

	Players' Contracts	Total
	£	£
Cost		
At 1 June 2007	207,001	207,001
Additions	464,500	464,500
At 31 May 2008	<u>671,501</u>	<u>671,501</u>
Provision for diminution in value		
At 1 June 2007	69,358	69,358
Charge for year	282,834	282,834
At 31 May 2008	<u>352,192</u>	<u>352,192</u>
Net book values		
At 31 May 2008	<u>319,309</u>	<u>319,309</u>
At 31 May 2007	<u>137,643</u>	<u>137,643</u>

The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

..... continued

9. Tangible fixed assets	Computer equipment £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost				
At 1 June 2007	99,792	204,192	39,245	343,229
Additions	-	45,263	46,335	91,598
At 31 May 2008	<u>99,792</u>	<u>249,455</u>	<u>85,580</u>	<u>434,827</u>
Depreciation				
At 1 June 2007	99,792	176,465	10,901	287,158
Charge for the year	-	11,796	25,952	37,748
At 31 May 2008	<u>99,792</u>	<u>188,261</u>	<u>36,853</u>	<u>324,906</u>
Net book values				
At 31 May 2008	<u>-</u>	<u>61,194</u>	<u>48,727</u>	<u>109,921</u>
At 31 May 2007	<u>-</u>	<u>27,727</u>	<u>28,344</u>	<u>56,071</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2008 Net book value £	Depreciation charge £	2007 Net book value £	Depreciation charge £
Motor Vehicles	<u>48,726</u>	<u>25,952</u>	<u>28,344</u>	<u>12,011</u>
10. Stocks			2008 £	2007 £
Catering and bar stocks			23,778	18,221
Souvenir shop stock			42,718	24,709
			<u>66,496</u>	<u>42,930</u>

The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

..... continued

11. Debtors	2008	2007
	£	£
Trade debtors	369,332	485,193
Other debtors	65,487	20,782
Prepayments and accrued income	83,250	420,481
	<u>518,069</u>	<u>926,456</u>

Included in other debtors is £30,321 (2007: £5,873) owed by the director Mr K Oyston. The maximum balance owed by Mr K Oyston during the year was £30,321. The loan is interest free and repayable on demand.

12. Creditors: amounts falling due within one year	2008	2007
	£	£
Bank overdraft	133,485	-
Net obligations under finance leases and hire purchase contracts	15,000	6,621
Trade creditors	562,386	367,484
Amounts owed to group undertaking	422,839	422,839
Other taxes and social security costs	676,371	289,718
Other creditors	33,657	718,752
Accruals and deferred income	1,220,866	1,085,027
	<u>3,064,604</u>	<u>2,890,441</u>

The amounts owed to group undertaking represents the amount due to the parent, Segesta Limited formerly known as The Blackpool Football Club Properties Limited. The maximum balance outstanding during the year was £3,423,212.

The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

..... continued

13. Creditors: amounts falling due after more than one year	2008 £	2007 £
Amounts owed to group undertakings	3,000,373	3,427,889
Directors accounts and unsecured loans	395,136	395,136
Net obligations under finance leases and hire purchase contracts	42,955	18,190
	<u>3,438,464</u>	<u>3,841,215</u>

Directors accounts and unsecured loans includes £395,136 (2007: 395,136) owed to the director Mr O J Oyston. The maximum balance owed to Mr Oyston was £395,136.

The loan is interest free and repayable on demand

14. Share capital	2008 £	2007 £
Authorised equity		
37,500 Ordinary shares of 1 each	<u>37,500</u>	<u>37,500</u>
Allotted, called up and fully paid equity		
37,500 Ordinary shares of 1 each	<u>37,500</u>	<u>37,500</u>

15. Equity Reserves	Share premium account £	Profit and loss account £	Capital redemption reserve £	Total £
At 1 June 2007	1,860,174	(5,722,180)	2,335	(3,859,671)
Loss for the year		(357,474)		(357,474)
At 31 May 2008	<u>1,860,174</u>	<u>(6,079,654)</u>	<u>2,335</u>	<u>(4,217,145)</u>

The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

..... continued

16. Reconciliation of movements in shareholders' funds	2008	2007
	£	£
Loss for the year	(357,474)	(466,211)
Net proceeds of equity share issue	-	1,800,000
Net addition to shareholders' funds	(357,474)	1,333,789
Opening shareholders' funds	(3,822,170)	(5,155,959)
Closing shareholders' funds	<u>(4,179,644)</u>	<u>(3,822,170)</u>

17. Commitments under operating leases and guarantees

At 31 May 2008 the company had annual commitments under non-cancellable operating leases as follows:

	2008	Other	2007
	£		£
Expiry date:			
Within one year	2,968		1,484
Between one and five years			
	<u>2,968</u>		<u>1,484</u>

18. Transactions with directors

The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount owing	Maximum
	2008	in year
	£	£
Mr K S Oyston	<u>30,321</u>	<u>30,321</u>



The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

..... continued

19. Related party transactions

2008	2007
£	£

The following income was charged by the company to the following related parties:

Oystons Limited	6,349	2,563
Denwis Limited	2,943	11,620
Ridings Publishing Company Limited	629	370

The following amounts are included in trade debtors note (note 11):

Denwis Limited	3,726	6,251
Oystons Limited	7,170	1,234

Included in other debtors (note 11) is £11,065 (2007:£6,161) owed by Natfarm Limited and £1,895 (2007:£421) owed by Denwis Limited. The loans are interest free and repayable on demand.

The following amounts are included in trade creditors note (note 12):

Denwis Limited	46	46
----------------	----	----

During the year the company was charged £13,147 by Denwis Limited, a company owned and controlled by the director Mr O J Oyston.

The director, Mr O J Oyston is a director and majority shareholder of Denwis Limited, Ridings Publishing Company Limited, Natfarm Limited and Oystons Limited.

20. Ultimate parent undertaking

The company is a subsidiary of Segesta Limited, a company incorporated in England & Wales, which held 76.3% (2007: 76.3%) of the issued share capital of the company at 31 May 2008. Segesta Limited (formerly known as The Blackpool Football Club Properties Limited) is controlled by the director Mr O J Oyston.

The Blackpool Football Club Limited

**Notes to the financial statements
for the year ended 31 May 2008**

..... continued

21. Gross cash flows

	2008	2007
	£	£
Returns on investments and servicing of finance		
Interest received	60,144	34,009
Interest paid	(5,190)	(10,228)
	<u>54,954</u>	<u>23,781</u>
Capital expenditure		
Payments to acquire intangible assets	(464,500)	(48,001)
Payments to acquire tangible assets	(91,598)	(28,795)
	<u>(556,098)</u>	<u>(76,796)</u>
Financing		
Issue of ordinary share capital	-	1,800,000
	<u>-</u>	<u>1,800,000</u>

22. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	1,746,385	(436,757)		1,309,628
Overdrafts	-	(133,485)		(133,485)
	<u>1,746,385</u>	<u>(570,242)</u>		<u>1,176,143</u>
Finance leases and hire purchase contracts	(24,811)	-	(33,144)	(57,955)
Net funds	<u>1,721,574</u>	<u>(570,242)</u>	<u>(33,144)</u>	<u>1,118,188</u>

Transfer fees paid are included under capital expenditure in the cashflow statement and transfer fees received are included in operating profit.