

THE BURY FOOTBALL CLUB COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1999
COMPANY NUMBER: 53268



MITCHELL CHARLESWORTH
Chartered Accountants
MANCHESTER

THE BURY FOOTBALL CLUB COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

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If shareholders have any queries regarding the financial statements please contact the company in good time before the annual general meeting and every effort will be made to provide an explanation.

THE BURY FOOTBALL CLUB COMPANY LIMITED
DIRECTORS AND OFFICERS

CHAIRMAN

T Robinson

DIRECTORS

F J Mason
J Smith
N Neville

SECRETARY

J Neville

REGISTERED OFFICE

Gigg Lane
Bury
Lancashire
BL9 9HR

AUDITORS

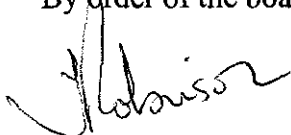
Mitchell Charlesworth
Chartered Accountants
Fountain Court
68 Fountain Street
Manchester
M2 2FB

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTICE OF MEETING

Notice is hereby given that the 102nd Annual General Meeting of the Company will be reconvened on Thursday 24th February 2000 at the Executive Club, Gigg Lane, Bury at 7.00pm for the following purposes:

1. To elect directors: Mr F Mason
 Mr J Smith
2. To re-appoint Mitchell Charlesworth, Chartered Accountants, as auditors of the company and to authorise the directors to fix the remuneration of the auditors.
3. To receive and adopt the directors report and financial statements of the company for the year ended 30 June 1999.

By Order of the board



T Robinson
Chairman

28 January 2000

A member entitled to attend and vote at the Annual General Meeting may appoint a proxy, who need not be a member of the company, to attend and vote in his stead. The instrument appointing such a proxy must be deposited at the registered office of the company not less than 48 hours before the time of the meeting.

THE BURY FOOTBALL CLUB COMPANY LIMITED
DIRECTORS' REPORT

The directors present their 102nd annual report and the audited financial statements of the company for the year ended 30 June 1999.

Principal Activity

The principal activity of the company continues to be that of running a professional football league club.

Business Review

	<u>1999</u>	<u>As Restated</u> <u>1998</u>
	£	£
Turnover	<u>4,750,617</u>	<u>3,691,032</u>
Profit on ordinary activities before taxation	883,417	130,054
Taxation	-	-
Donations received	181,511	24,354
Profit for the financial year	<u>1,064,928</u>	<u>154,408</u>

Analysis of turnover is given in note 2 to the financial statements.

Dividend

The directors recommend that no dividend be paid.

Fixed Assets

Information relating to changes in fixed assets is set out in note 9 to the financial statements.

Directors and Directors' Interests

The directors who have served during the year and their interests in the company's issued ordinary share capital were as follows:

	Interest at end of year	Interest at beginning of year
C H Eaves - resigned 22 December 1998	2,233,882	2,183,882
F J Mason	7,450	7,450
T Robinson	53,300	54,300
J Smith	13,038	13,038
N Neville - appointed 22 December 1998	1,093	93

F J Mason and J Smith retire from the Board by rotation and, being eligible, offer themselves for re-election.

THE BURY FOOTBALL CLUB COMPANY LIMITED
DIRECTORS' REPORT (CONTINUED)

Directors' Responsibilities

Company Law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:


- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Mitchell Charlesworth as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



T Robinson
Chairman

28 January 2000

Gigg Lane
Bury
Lancashire
BL9 9HR

MITCHELL CHARLESWORTH
Chartered Accountants

Fountain Court . 68 Fountain Street . Manchester M2 2FB

**REPORT OF THE AUDITORS, MITCHELL CHARLESWORTH,
TO THE MEMBERS OF THE BURY FOOTBALL CLUB COMPANY LIMITED**

We have audited the financial statements on pages 6 to 23 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 10 and 11.

Respective Responsibilities of Directors and Auditors

As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards 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.

We planned and performed our audit so as to obtain all the information and explanations which we consider 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.

In forming our opinion we have considered the adequacy of the disclosures made in the financial statements concerning the going concern basis used. Details of the circumstances are disclosed in note 1 . Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 June 1999 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Mitchell Charlesworth

Mitchell Charlesworth

Chartered Accountants
Registered Auditor
Manchester

THE BURY FOOTBALL CLUB COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 1999

		<u>1999</u>	<u>As Restated</u>
	<u>Notes</u>	<u>£</u>	<u>1998</u>
		<u>£</u>	<u>£</u>
TURNOVER	2	4,750,617	3,691,032
Cost of sales		(221,007)	(172,826)
Players' and staff costs	4	(2,501,265)	(2,182,786)
Match and ground expenses		(617,616)	(523,189)
Administrative expenses		(204,040)	(275,854)
Depreciation charges		(65,750)	(60,202)
Amortisation charges		(224,249)	(332,900)
OPERATING PROFIT	3	916,690	143,275
Interest receivable	5	438	3,508
Interest payable and similar charges	6	(33,711)	(16,729)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		883,417	130,054
Taxation	7	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		883,417	130,054
Donations received	8	181,511	24,354
PROFIT FOR THE FINANCIAL YEAR		1,064,928	154,408
Retained loss brought forward		(2,590,708)	(2,745,116)
RETAINED LOSS CARRIED FORWARD		(1,525,780)	(2,590,708)

None of the company's activities were acquired or discontinued during the above two financial years.

THE BURY FOOTBALL CLUB COMPANY LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 1999

	<u>1999</u>	<u>As Restated</u>
	£	£
Profit for the financial year	1,064,928	154,408
Unrealised surplus/(deficit) on the revaluation of land and buildings	54,000	(55,469)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>1,118,928</u>	<u>98,939</u>
Prior year adjustment	487,965	-
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u>1,606,893</u>	<u>98,939</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 1999

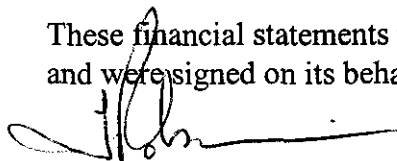
	<u>1999</u>	<u>As Restated</u>
	£	£
Reported profit on ordinary activities before taxation	883,417	130,054
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on revalued amount	(60,139)	(59,039)
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>823,278</u>	<u>71,015</u>
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES RETAINED AFTER TAXATION AND DONATIONS RECEIVED	<u>1,004,789</u>	<u>95,369</u>

The notes on pages 10 to 23 form part of these financial statements.

THE BURY FOOTBALL CLUB COMPANY LIMITED
BALANCE SHEET AS AT 30 JUNE 1999

			<u>1999</u>		<u>As Restated</u>	
	<u>Notes</u>	£	£	£	1998	£
FIXED ASSETS						
Tangible assets	9		6,402,200			6,312,106
Intangible assets	10		393,892			619,711
			<u>6,796,092</u>			<u>6,931,817</u>
CURRENT ASSETS						
Stocks	11	36,109		48,599		
Debtors	12	913,204		62,297		
Cash at bank and in hand		302,127		15,815		
		<u>1,251,440</u>		<u>126,711</u>		
CREDITORS: amounts falling due within one year	13	<u>(1,525,440)</u>		<u>(1,432,021)</u>		
NET CURRENT LIABILITIES			<u>(274,000)</u>			<u>(1,305,310)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,522,092</u>			<u>5,626,507</u>
CREDITORS: amounts falling due after more than one year	14		<u>(962,300)</u>			<u>(1,139,055)</u>
			<u>5,559,792</u>			<u>4,487,452</u>
DEFERRED INCOME	15		<u>(1,447,153)</u>			<u>(1,493,741)</u>
NET ASSETS			<u>4,112,639</u>			<u>2,993,711</u>
CAPITAL AND RESERVES						
Called up share capital	16		2,500,000			2,500,000
Revaluation reserve	17		3,138,419			3,084,419
Profit and loss account			<u>(1,525,780)</u>			<u>(2,590,708)</u>
TOTAL SHAREHOLDERS' FUNDS	18		<u>4,112,639</u>			<u>2,993,711</u>

These financial statements were approved by the Board of Directors on 28 January 2000 and were signed on its behalf by:



T Robinson
Chairman

The notes on pages 10 to 23 form part of these financial statements.

THE BURY FOOTBALL CLUB COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 1999

	<u>1999</u>	<u>As Restated</u> <u>1998</u>
	£	£
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(1,630,326)	391,626
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(27,854)	(10,744)
Interest element of finance lease rental and hire purchase payments	(5,857)	(5,985)
Interest received	438	3,508
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(33,273)	(13,221)
CAPITAL EXPENDITURE		
Receipts from sales of fixed assets	2,800,470	16,839
Payments to acquire fixed assets	(921,102)	(93,640)
NET CASH INFLOW/(OUTFLOW) FROM CAPITAL EXPENDITURE	1,879,368	(76,801)
NET CASH INFLOW BEFORE THE USE OF FINANCING AND LIQUID RESOURCES	215,769	301,604
FINANCING ACTIVITIES		
Repayments of borrowings	(131,328)	(244,399)
Hire purchase advances	40,109	-
Capital element of finance lease rental and hire purchase payments	(26,572)	(22,860)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	(117,791)	(267,259)
INCREASE IN CASH	97,978	34,345

Individual cash flow categories are analysed further in note 22 to the financial statements.

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES TO THE ACCOUNTS
(FORMING PART OF THE FINANCIAL STATEMENTS)

1. PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of Preparation

The financial statements are prepared in accordance with applicable Accounting Standards and under the historical cost convention, supplemented by a professional valuation of freehold land and buildings using an alternative use basis for the land and a depreciated replacement basis for the buildings. The valuation was carried out by Geoffrey G Watson, Chartered Surveyor, on 8 November 1999. The Social Club freehold land and buildings have been valued by the directors on a current use basis on 28 November 1997. (see note 9)

The financial statements incorporate the results of the principal activity, which is described in the directors' report and which is continuing.

Going Concern Basis

The financial statements have been prepared on a going concern basis. At the present time, the club is attempting to obtain confirmation of the continued financial support of the majority shareholder. In the absence of this, and in common with many other football clubs of similar size and structure, the club is dependant on it's ability to remain profitable in the transfer market. Should adequate finance not be available and the company be unable to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

Turnover

Turnover represents the total amount received by the company from matches and other income during the year, exclusive of value added tax.

Donations

Donations are dealt with on a received basis.

Tangible Fixed Assets and Depreciation

Freehold land is not depreciated. Depreciation is provided by the company to write off the value of buildings and the cost of other fixed assets by equal instalments over their estimated useful economic lives as follows:

Buildings	50 years (2% per annum)
Fixtures and equipment	5 and 10 years (20% and 10% per annum)
Motor vehicles	4 years (25% per annum)

Intangible Fixed Assets and Amortisation

Players registrations are capitalised according to FRS10. Amortisation is provided by the company to write off the value of registrations by equal instalments over the period of the players contracts.

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Transfer Fees and Registrations

The accounting policy relating to transfer fees and players registrations has been amended due to the introduction of FRS10 'Goodwill and Intangible Assets'. Fees and associated costs payable to other football clubs are no longer dealt with through the profit and loss account in the period in which the transfer takes place but are capitalised and written off over the period of a players registration.

As a result of this change in accounting policy, the 1998 figures have been restated in these accounts (see note 23).

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding. All other leases are accounted for as operating leases and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

Pension Costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise. No liability to corporation tax has been provided for in respect of chargeable gains which would arise on the disposal of the company's freehold property as, at present, the directors do not intend to dispose of it in the foreseeable future.

Deferred Income

Amounts received in respect of safety work and ground improvements are carried in the balance sheet. These are released to the profit and loss account over the life of the assets to which they relate. The Football Trust grants received towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

2. ANALYSIS OF TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>1999</u>	<u>As Restated</u> <u>1998</u>
	£	£
Gate receipts, FL and FA distributions	1,863,408	1,718,998
Advertising, sponsorship, catering, events, bar and shop sales, programmes etc.	771,586	827,518
Profit on sale of players	1,977,623	1,144,516
Grants received	138,000	-
	<u>4,750,617</u>	<u>3,691,032</u>

The turnover and pre-tax profit are wholly attributable to the company's principal activity and arose solely in the United Kingdom.

3. OPERATING PROFIT	<u>1999</u>	<u>As Restated</u> <u>1998</u>
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	3,000	3,000
Depreciation and other amounts written off		
Owned assets	51,145	50,464
Leased assets	14,605	9,738
Directors remuneration	14,556	-
Hire of plant and machinery	20,387	15,523
Amortisation of players contracts	224,249	332,900
Vehicle Leasing	49,735	15,956
	<u> </u>	<u> </u>
and after crediting:		
Bank interest receivable	438	3,508
Profit on disposal of fixed assets	2,018	7,699
Grant release	46,588	46,588
	<u> </u>	<u> </u>

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

4. STAFF NUMBERS AND COSTS

The average number of persons employed by the company during the year was as follows:

	<u>1999</u>	<u>As Restated</u> <u>1998</u>
Playing, training and coaching staff	71	65
Administrative and ground maintenance staff	32	29
	<u>103</u>	<u>94</u>

The aggregate payroll costs of these persons were as follows:

	<u>1999</u> £	<u>1998</u> £
Wages and salaries	2,232,771	1,974,601
Social security costs	218,304	148,867
Other pension costs	50,190	59,318
	<u>2,501,265</u>	<u>2,182,786</u>

5. INTEREST RECEIVABLE

	<u>1999</u> £	<u>1998</u> £
Bank deposit account interest receivable	<u>438</u>	<u>3,508</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>1999</u> £	<u>1998</u> £
On bank loans, overdrafts and other loans wholly repayable within five years	16,656	6,741
Finance charges payable in respect of finance leases and hire purchase contracts	5,857	5,985
On other loans	2,900	4,003
Other Interest	8,298	-
	<u>33,711</u>	<u>16,729</u>

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

		<u>As Restated</u>		
7. TAXATION		<u>1999</u>	<u>1998</u>	
		£	£	
UK corporation tax at 21-20% (1998: 21%)		-	-	
		<hr/>	<hr/>	
8. DONATIONS RECEIVED		<u>1999</u>	<u>1998</u>	
		£	£	
Lifeline and Development Association		62,735	18,991	
Others		118,776	5,363	
		<hr/>	<hr/>	
		181,511	24,354	
		<hr/>	<hr/>	
9. TANGIBLE FIXED ASSETS				
	Freehold land and buildings	Fixtures and equipment	Motor vehicles	Total
	£	£	£	£
Cost or Valuation				
At 1 July 1998	6,141,000	523,028	59,287	6,723,315
Additions	55,000	28,298	20,914	104,212
Disposals	-	-	(16,632)	(16,632)
Revaluation	54,000	-	-	54,000
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1999	6,250,000	551,326	63,569	6,864,895
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 July 1998	-	365,133	46,076	411,209
Charge for year	-	52,103	13,646	65,749
Disposals	-	-	(14,263)	(14,263)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1999	-	417,236	45,459	462,695
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value				
At 30 June 1999	6,250,000	134,090	18,110	6,402,200
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1998	6,141,000	157,895	13,211	6,312,106
	<hr/>	<hr/>	<hr/>	<hr/>

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

9. TANGIBLE FIXED ASSETS (CONTINUED)

Included in the total net book value of tangible fixed assets is £55,947 (1998: £36,893) in respect of assets acquired under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £14,605 (1998: £9,738).

The freehold land and buildings were valued on 8 November 1999 on an alternative use basis for the land and a depreciated replacement basis for the buildings by Geoffrey G Watson ARICS, Chartered Surveyor, Whitefield, Manchester.

The Social Club freehold land and buildings have been valued by the directors on a current use basis on 28 November 1997. In the opinion of the directors there has been no significant change in value during the year.

The land and buildings are shown at valuation as follows:

	£	£
Sports Stadium		
Land		1,054,000
Buildings- Balance brought forward	4,762,000	-
Revaluation	54,000	4,816,000
		<u>5,870,000</u>
Social Club		
Land	20,000	
Buildings	305,000	
		<u>325,000</u>
Retail Premises		
Buildings		55,000
		<u>6,250,000</u>

The amount of freehold land and buildings, included at valuation, determined according to the historical cost accounting rules, is as follows:

	£	£
Cost brought forward		2,951,939
Additions at cost in year		55,000
		<u>3,006,939</u>
Depreciation brought forward	416,761	
Depreciation charge for year @ 2%	60,139	
		<u>(476,900)</u>
Net book value		<u>2,530,039</u>

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

10. INTANGIBLE FIXED ASSETS

	Players Registrations £
Cost	
At 1 July 1998	1,146,500
Additions	393,140
Disposals	(821,500)
	<hr/>
At 30 June 1999	718,140
	<hr/>
AMORTISATION	
At 1 July 1998	526,789
Charge for Year	224,249
Disposals	(426,790)
	<hr/>
At 30 June 1999	324,248
	<hr/>
NET BOOK VALUE	
At 30 June 1999	393,892
	<hr/>
At 30 June 1998	619,711
	<hr/>

	<u>1999</u>	<u>As Restated 1998</u>
	£	£
11. STOCK		
Goods for resale	36,109	48,599
	<hr/>	<hr/>
12. DEBTORS		
	<u>1999</u>	<u>1998</u>
	£	£
Transfer fees receivable	856,969	-
Prepayments and accrued income	40,728	53,614
Other debtors	15,507	8,683
	<hr/>	<hr/>
	913,204	62,297
	<hr/>	<hr/>

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

13. CREDITORS: amounts falling due within one year	<u>1999</u> £	<u>1998</u> £
Bank overdraft	417,272	228,938
Trade creditors	355,605	255,647
Obligations under finance leases and hire purchase contracts (see note 14)	18,400	15,694
Other loans (see note 14)	117,024	60,767
Taxation and social security	125,641	413,152
Transfers fees payable	272,000	75,000
Accruals and deferred income	219,498	382,823
	<u>1,525,440</u>	<u>1,432,021</u>
14. CREDITORS: amounts falling due after more than one year	<u>1999</u> £	<u>1998</u> £
Major shareholder's loan - C H Eaves	764,171	890,021
Obligations under finance leases and hire purchase contracts	24,099	13,270
Other loans (see below)	174,030	235,764
	<u>962,300</u>	<u>1,139,055</u>

The major shareholder's loan is interest free and no dates or terms of repayment have been fixed. The club has been unable to obtain the annual ongoing agreement of Mr Eaves with regard to the loan monies as his whereabouts are not known. For the time being the loan is frozen by court order and hence the club cannot be required to make any repayments.

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

14. CREDITORS: amounts falling due after more than one year (continued)

Maturity and Security

Obligations under finance leases and hire purchase contracts

	<u>1999</u>	<u>As Restated</u> <u>1998</u>
	£	£
Instalments falling due:		
In one year (see note 13)	12,382	15,694
Between one and two years	11,459	12,382
Between two and five years	18,658	888
	<u>42,499</u>	<u>28,964</u>

Obligations under finance leases and hire purchase contracts are secured on the assets to which contracts relate.

	<u>1999</u>	<u>1998</u>
	£	£
Other loans		
Metropolitan Borough of Bury		
13% loan repayable at £1,000 per month until		
1 February 2001	17,284	26,383
Daniel Thwaites		
Variable interest rate mortgage loans, repayable		
at £556 per month	168,775	180,157
The Football Trust		
Interest free loan repayable at £3,333 per month	49,995	89,991
Interest free loan repayable on demand	55,000	-
	<u>291,054</u>	<u>296,531</u>
Instalments falling due:		
In one year (see note 13)	117,024	60,768
Between one and two years	23,598	62,024
Between two and five years	20,016	51,942
In five years or more	130,416	121,797
	<u>291,054</u>	<u>296,531</u>

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

14. CREDITORS: amounts falling due after more than one year (continued)

	<u>1999</u> £	<u>1998</u> £
Paid fully:		
In one year	72,284	-
Between one and two years	49,995	89,991
Between two and five years	-	26,383
In five years or more	168,775	180,157
	<u>291,054</u>	<u>269,531</u>

The Daniel Thwaites loan is secured on the Social Club freehold land and buildings. See note 9 for directors' valuation.

	<u>1999</u> £	<u>As Restated</u> <u>1998</u> £
15. DEFERRED INCOME		
Balance at 1 July 1998	1,493,741	1,540,329
Transfer to profit and loss account	(46,588)	(46,588)
	<u>1,447,153</u>	<u>1,493,741</u>
Balance at 30 June 1999	<u>1,447,153</u>	<u>1,493,741</u>

	<u>1999</u>		<u>1998</u>
16. SHARE CAPITAL			
	Number	£	Number £
Authorised			
Ordinary shares of £1 each	<u>10,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u> <u>10,000,000</u>
Allotted, called up and fully paid			
Ordinary shares of £1 each	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u> <u>2,500,000</u>

	<u>1999</u> £	<u>1998</u> £
17. REVALUATION RESERVE		
Balance at 1 July 1998	3,084,419	3,139,888
Increase/(Decrease) in valuation of land and buildings	54,000	(55,469)
Balance at 30 June 1999	<u>3,138,419</u>	<u>3,084,419</u>

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

	<u>1999</u>	<u>As Restated</u> <u>1998</u>
	£	£
18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
Opening shareholders funds as originally stated	2,505,746	
Prior year adjustment (see note 23)	487,965	
	<hr/>	
Restated opening shareholders funds	2,993,711	2,919,126
Profit for year	1,064,928	130,054
Revaluation of fixed assets	54,000	(55,469)
	<hr/>	<hr/>
Closing shareholders funds	<u>4,112,639</u>	<u>2,993,711</u>

19. DIRECTOR'S INTERESTS IN CONTRACTS

During the course of the year management services have been provided to the Company by Dalesgable Limited a company which is controlled by T Robinson. The arrangement is for the provision of ongoing management services to the company. In the year to 30 June 1999, the charges for services amounted to £50,267 (1998:£44,000). In addition the company provides T Robinson with a car and fuel on which a benefit in kind is assessed.

20. CAPITAL COMMITMENTS

The amount of future capital expenditure relating to amounts contracted for, but not yet provided for in the accounts as at 30 June 1999 is £1,920,000 (1998 £Nil). This is for the redevelopment of the stand at the Cemetery end of the ground which is required to conform with the Taylor Report.

21. OTHER COMMITMENTS

At 30 June 1999 the company had the following annual commitments under non-cancellable operating leases as follows:

	<u>1999</u>	<u>1998</u>
	£	£
Expiry date of other operating leases:		
Within one year	-	6,918
Between two and five years	-	-
	<hr/>	<hr/>
	<u>-</u>	<u>6,918</u>

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

22. NOTES TO THE CASH FLOW STATEMENT	<u>1999</u>	<u>As Restated</u> <u>1998</u>
	£	£
Reconciliation of operating profit to net cash (outflow)/inflow from operating activities:		
Operating profit	1,098,201	86,529
Depreciation charges	65,750	60,202
Profit on sale of fixed assets	(2,018)	(7,699)
Profit on sale of players	(1,977,623)	-
Amortisation of registrations	224,249	-
Increase in stocks	12,490	(9,060)
Increase in debtors	(850,907)	(1,986)
(Decrease)/Increase in creditors	(200,468)	263,640
Net cash (outflow)/inflow from operating activities	<u>(1,630,326)</u>	<u>391,626</u>
Reconciliation of net cash flow to movement in net debt:		£
Increase in cash		97,978
Cashflows:		
Net increase of debt		172,791
Non-Cashflows:		
Capitalisation of debt		-
Change in net debt		<u>270,769</u>
Net debt at 1 July 1998		<u>(1,428,639)</u>
Net debt at 30 June 1999		<u>(1,157,870)</u>

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

22. NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

Analysis of changes in net debt:

	At 1 July 1998 £	Other Cash flow £	non- cash changes £	At 30 June 1999 £
Cash at bank and in hand	15,815	286,312	-	302,127
Bank overdraft	(228,938)	(188,334)	-	(417,272)
		<u>97,978</u>		
Debt due within one year	(76,461)	(3,964)	-	(80,425)
Debt due after one year	(1,139,055)	176,755	-	(962,300)
	<u>(1,428,639)</u>	<u>270,769</u>	<u>-</u>	<u>(1,157,870)</u>

23. PRIOR PERIOD ADJUSTMENT

The company has changed its accounting policy for the cost of players' registrations, as a result of the introduction of FRS10 'Goodwill and Intangible Assets'. Under the new policy the company capitalises as an intangible asset the element of a players' transfer fee which relates to his registration together with associated costs and amortises that element over the period of his contract including any subsequent agreed extensions. No provision is made for the value of players developed within the company.

The effect of this change in accounting policy upon the profit and loss reserves of the company after taking account of related deferred tax is shown in note 18.

Previously fees payable to and receivable from other football clubs on the transfer of players' registrations, together with associated costs were accounted for in the profit and loss account as 'transfer fees paid' and 'transfer fees received', in the period in which the transfer took place. The amortisation of players' registrations is disclosed separately in the Profit and Loss Account.

THE BURY FOOTBALL CLUB COMPANY LIMITED
NOTES (CONTINUED)

23. PRIOR PERIOD ADJUSTMENT (CONTINUED)

The effect on the profit before taxation is shown below.

	1998
	£
As previously reported	48,954
Add: Purchased players' registration costs now capitalised	489,000
Less: Amortisation of players' registration costs	(332,900)
Less: Net book value of players sold	(75,000)
	<hr/>
As restated	130,054
	<hr/>

The effect on the balance sheet at 30 June 1998 has been to capitalise intangible assets at the value of £619,711 and increase creditors by £75,000 to reflect the change in accounting policy for transfer fees.

In the year to 30 June 1999 the effect of the change in the policies has been to reduce the profit before and after tax by £150,819.

24. CONTINGENT LIABILITIES

It is unlikely that any further payments will be made in respect of players registrations already transferred to the Club.