

Company Number 00054222



THE BURNLEY FOOTBALL AND
ATHLETIC COMPANY LIMITED

REPORT & FINANCIAL STATEMENTS

YEAR ENDED 31ST MAY 1996

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS 1996

CONTENTS

Page	
1	Notice of Meeting
2	Officers and professional advisers
3	Chairman's report
4 - 5	Directors' report
6	Auditors' report
7	Profit and loss account
8	Balance sheet
9	Cash flow statement
10 - 18	Notes to the accounts
19	Additional information statement
20	Detailed profit and loss account
21	Additional analysis

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of The Burnley Football and Athletic Company Limited will be held at the Centre Spot, Brunshaw Road, Burnley, at 10.30 a.m. on 28th December 1996, for the following purposes:

1. To receive and adopt the financial statements for the year ended 31st May 1996, together with the reports of the directors and auditors thereon.
2. To confirm that no dividend be paid for the year ended 31st May 1996.
3. To re-elect a director.
4. To re-appoint the auditors, at a fee to be agreed by the directors.
5. To transact any other ordinary business of the company.



By order of the Board

J.W. HOWARTH

Secretary

18th November 1996

NOTES

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the company. Proxy forms must be lodged with the company not later than 48 hours before the time fixed for the meeting.
2. A statement of transactions of directors (and, so far as they can reasonably ascertain, of their family interests) in the share capital of the company, is available for inspection during normal business hours at the company's registered office, Turf Moor, Brunshaw Road, Burnley, and on the day of the Annual General Meeting at The Centre Spot, Brunshaw Road, Burnley, until the conclusion of that meeting.

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors	F.J. Teasdale (Chairman) Doctor R.D. Iven (Vice Chairman) B.M. Rothwell, J.P. R.B. Blakeborough C.J. Holt
Company Secretary	J.W. Howarth
Manager	A.P. Heath
Registered Office	Turf Moor, Brunshaw Road, Burnley
Registered number	54222
Auditors	Casson Beckman Chartered Accountants and Registered Auditors, Ashworth House, Manchester Road, Burnley, BB11 1TT.
Bankers	TSB Group plc

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

CHAIRMAN'S REPORT

Following the loss seen last year I am pleased to report a return to profit once again for the 1995/96 Season.

The past months have seen many changes at Turf Moor, with the stands redevelopment, managerial staff, club store and computerisation within the ticket office, club shops, bars, etc. I must at this point thank some stalwarts who have left us, namely, Jimmy Mullen, Brian Miller and Mark Blackburne, who in their own way have all contributed to the growth of our Club and we wish them well in the future. Departures of course mean replacements and we welcome Adrian Heath, John Ward, Clive Middlemass and John Howarth, who take on their respective responsibilities.

The opening of the North Stand Executive Suite has provided us with the exciting prospect of additional revenue from the corporate hospitality, banquet and conference facilities now available to us. These will be operated in-house by another newcomer, Graham Lee, who has already brought his expertise to this very important source of revenue.

Every year I pay tribute to the people who help the Club in many ways, fans, sponsors, doctors, scouts and many more, too numerous to mention individually. This year is no exception, but I give special thanks to our bankers, T.S.B. and the Football Trust for the financial support needed for the North/East Stand development.

Our return to the second division was a disappointment to us all, but I am sure that with the strength of the current squad we are capable of better things.

I must thank my fellow directors for their support and the sterling work they carry out in their respective roles at the Club, i.e. David Iven (medical), Bernard Rothwell (shops), Clive Holt (ground), Bob Blakeborough (commercial).

One name not mentioned above is Basil Dearing, who has left the Board but continues to advise on legal matters and is happy to do so. My sincere thanks go to him for his help and friendship over the last eleven years.

Football in general received a body blow last year with the tragic death of Mike Naylor who everyone will know was Managing Director of Endsleigh. This gentleman was unique for the passion and commitment he gave to everything he was connected with. He will be sadly missed by his family, friends, company and every football club he sponsored via the Endsleigh League, and last but certainly not least, Burnley F.C.

I thank once again all our staff who work very hard in all our departments, everyone has a part to play in the running of this great club. The stage is now set with our new look stadium, and with the support of our magnificent fans we can achieve the promotion we desperately seek.

**F.J. Teasdale
Chairman**

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31st May 1996.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year 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.

ACTIVITIES

The principal activities of the company continue to be those of a professional football club.

REVIEW OF DEVELOPMENTS

The Chairman's report adequately covers all major events during the year. The results for the year are shown on page 7 of these financial statements.

DIVIDENDS

The directors recommend that no dividend be paid in respect of the year ended 31st May 1996.

FUTURE PROSPECTS

The directors will continue the policies they have implemented over the last few years. It is hoped that these policies will ultimately prove to be of benefit both to the company and all the Club's loyal supporters.

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**DIRECTORS' REPORT (continued)****DIRECTORS**

Mr. B. Dearing formally resigned as a director on 9th January 1996.

In accordance with the company's Articles of Association Mr. B.M. Rothwell retires by rotation and, being eligible, offers himself for re-election.

The directors listed below held office throughout the year and their interests in the company's shares at 1st June 1995 and 31st May 1996 were:

	Ordinary shares	
	1996	1995
Mr. F.J. Teasdale	1,702	1,702
Doctor R.D. Iven	1,255	1,255
Mr. B.M. Rothwell	917	888
Mr. R.B. Blakeborough	836	836
Mr. C.J. Holt	1,414	1,399

DONATIONS

During the year the company made charitable donations amounting to £670.

AUDITORS

A resolution to re-appoint Casson Beckman as auditors will be proposed at the forthcoming Annual General Meeting.



By order of the Board

J.W. HOWARTH

Secretary

18th November 1996

AUDITORS' REPORT TO THE SHAREHOLDERS OF

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

We have audited the financial statements on pages 7 to 18 which have been prepared under the historical cost convention 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 mis-statement, 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 of the state of the company's affairs as at 31st May 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Casson Beckman
Chartered Accountants and
Registered Auditors
Ashworth House
Manchester Road
Burnley BB11 1TT

18th November 1996

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MAY 1996**

	Note	1996 £	1995 £
Turnover	2	2,351,482	3,441,442
Purchases for resale and programme costs		390,151	447,152
Employee costs	3	1,314,653	1,320,373
Costs of employees joining and leaving the company	4	(398,426)	1,504,286
Administrative, match and ground expenses		721,420	684,886
Other operating income	5	(217,070)	(26,433)
		<u>1,810,728</u>	<u>3,930,264</u>
Operating profit/(loss) before donations received		540,754	(488,822)
Donations received	6	<u>120,156</u>	<u>171,678</u>
Operating profit/(loss)	7	660,910	(317,144)
Loss on disposal of fixed assets	8	<u>(82,810)</u>	<u>-</u>
Profit/(loss) on ordinary activities before interest		578,100	(317,144)
Interest receivable		23,093	19,315
Interest payable	9	<u>(38,468)</u>	<u>(335)</u>
Profit/(loss) on ordinary activities before taxation		562,725	(298,164)
Tax on profit/(loss) on ordinary activities	10	<u>(332,000)</u>	<u>-</u>
Profit/(loss) for the financial year		230,725	(298,164)
Profit and loss account brought forward		<u>626,361</u>	<u>924,525</u>
Profit and loss account carried forward		<u>857,086</u>	<u>626,361</u>

All operations are continuing.

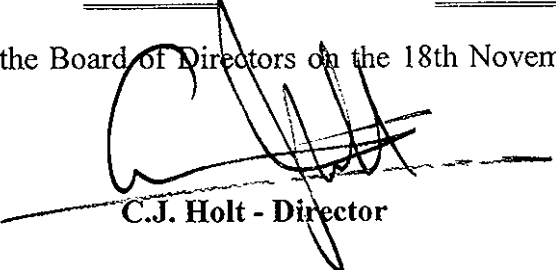
There were no recognised gains and losses for 1996 and 1995 other than those included in the profit and loss account.

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**BALANCE SHEET****31ST MAY 1996**

	Note	1996		1995	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		5,171,110		1,464,059
CURRENT ASSETS					
Stocks	12	76,607		109,785	
Debtors	13	897,650		237,314	
Cash at bank and in hand		509,598		431,875	
		<u>1,483,855</u>		<u>778,974</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
Bank loans	16	368,742		-	
Trade creditors		359,653		278,370	
Other creditors including taxation and social security	14	993,964		800,215	
		<u>1,722,359</u>		<u>1,078,585</u>	
NET CURRENT LIABILITIES			<u>(238,504)</u>		<u>(299,611)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,932,606		1,164,448
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	15		(2,018,970)		(161,704)
DEFERRED CREDITS	17		<u>(1,953,195)</u>		<u>(273,028)</u>
			<u>960,441</u>		<u>729,716</u>
CAPITAL AND RESERVES					
Called up share capital	18		14,357		14,357
Share premium account			88,998		88,998
Profit and loss account			857,086		626,361
EQUITY SHAREHOLDERS' FUNDS			<u>960,441</u>		<u>729,716</u>

These financial statements were approved by the Board of Directors on the 18th November 1996 and signed on their behalf


F.J. Teasdale - Director


C.J. Holt - Director

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**CASH FLOW STATEMENT****YEAR ENDED 31ST MAY 1996**

	1996		1995	
	£	£	£	£
Net cash inflow from operating activities		267,921		269,386
Returns on investments and servicing of finance				
Interest received	23,093		19,315	
Interest paid	(23,444)		(335)	
Net cash (outflow)/inflow from returns on investments and servicing of finance		(351)		18,980
Taxation paid		(350,000)		-
Investing activities				
Payments to acquire tangible fixed assets	(3,636,018)		(128,784)	
Receipts from sales of tangible fixed assets	8,105		-	
Capital grants received	1,339,978		59,176	
Net cash outflow from investing activities		(2,287,935)		(69,608)
Net cash (outflow)/inflow before financing		(2,370,365)		218,758
Financing				
Additional loans	2,471,440		32,500	
Repayment of loans	(23,352)		-	
Net cash inflow from financing		2,448,088		32,500
Increase in cash and cash equivalents		77,723		251,258

Further information on the cash flow statement is given in note 21.

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996

1. Accounting policies

a) Accounting convention

The financial statements are prepared under the historical cost convention.

b) Tangible fixed assets

Depreciation is not provided on freehold land. On other assets it is provided on cost in equal annual instalments over the estimated useful lives of the assets. The current rates of depreciation are as follows:

Freehold buildings:	2% per annum
Synthetic pitch and accessories:	7% - 10% per annum
Plant, fixtures and vehicles:	10% - 25% per annum
Floodlighting equipment:	5% - 10% per annum

c) Stocks

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

d) Deferred taxation

Deferred taxation is provided at the anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts to the extent that it is probable that a liability or asset will crystallise in the future. However, no provision is necessary in these financial statements.

e) Grants

Grants received in respect of expenditure of a capital nature are treated as deferred credits on receipt of the grants by the company, pending transfer to the profit and loss account on a basis which fairly reflects the benefits over the expected useful life of the assets.

Grants received in respect of expenditure of a revenue nature are credited to the profit and loss account.

f) Transfer and signing on fees

Transfer fees, payable and receivable are dealt with through the profit and loss account in the year in which the transfer takes place. Signing on fees are charged in the period in which the contract commences.

No value is reflected in the balance sheet in respect of the registration of the playing staff.

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996****1. Accounting policies (continued)****g) Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts and the related obligations are recorded in the balance sheet at the fair value of the assets at the inception of the leases or contracts. Finance charges are allocated over the period of the lease or contract in proportion to the capital amount outstanding.

h) Donations

Donations received for the benefit of the company and spectators are credited to the profit and loss account in the period they are received.

2. Turnover	1996	1995
	£	£
Turnover comprises the following:		
Match income	1,537,266	2,292,449
Advertising, sponsorship and media	314,144	490,931
Catering and shop sales	402,226	514,863
Programme revenue	97,846	143,199
	<u>2,351,482</u>	<u>3,441,442</u>

3. Information regarding directors and employees

No remuneration has been paid to any of the directors.

Employee costs during the year:

Wages and salaries	1,218,439	1,213,942
Social security costs	113,464	123,567
Other pension costs	4,542	3,211
	<u>1,336,445</u>	<u>1,340,720</u>
Included within other administrative costs	(21,792)	(20,347)
	<u>1,314,653</u>	<u>1,320,373</u>

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996**

3. Information regarding directors and employees (continued)	1996	1995
	No	No

Average number of persons employed

Management and playing staff	38	40
Trainees	20	15
Ground	9	11
Administration	10	9
Other staff	11	11
	<u>88</u>	<u>86</u>

These numbers include part time staff.

4. Costs of employees joining and leaving the company	£	£
--	----------	----------

Payments	447,074	1,729,286
Receipts	(845,500)	(225,000)
	<u>(398,426)</u>	<u>1,504,286</u>

Included in the above payments are contractual obligations payable to employees amounting to £83,000 (1995 - £493,500).

5. Other operating income

Included within the credit for 1996 is £193,000 in respect of liquidated damages claimed as receivable from a contractor for non-fulfilment of a contract.

6. Donations received

Lottery and other donations	<u>120,156</u>	<u>171,678</u>
-----------------------------	----------------	----------------

7. Operating profit/(loss)

Operating profit/(loss) is after charging:

Auditors' remuneration	2,000	2,000
Depreciation of tangible fixed assets	87,455	74,629
Profit on sale of fixed assets	(7,692)	-
Amortisation of deferred credit	<u>(24,627)</u>	<u>(28,773)</u>

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996****8. Loss on disposal of fixed assets**

As a consequence of the redevelopment of the company's ground facilities at Turf Moor, Burnley, certain fixed assets had to be demolished, giving rise to the following adjustments:

	£
Net book value of assets demolished	142,056
Release of associated deferred credit	(59,246)
	<hr/>
	82,810
	<hr/>

9. Interest payable

	1996 £	1995 £
Bank loan and overdraft interest	38,368	335
Finance charges - finance leases and hire purchase contracts	100	-
	<hr/>	<hr/>
	38,468	335
	<hr/>	<hr/>

10. Tax on profit/(loss) on ordinary activities

United Kingdom Corporation Tax at 32%	<u>332,000</u>	<u>-</u>
---------------------------------------	----------------	----------

During the year the company received grants from the Football Trust. In accordance with the company's accounting policy, note 1(e), these grants are treated as deferred credits pending transfer to the profit and loss account over a period which reflects the estimated useful life of the asset to which the grants relate.

For taxation purposes certain of the above grants are treated as non-trading income of the company during the period they are received. The substantial tax losses incurred on trading activities in previous years, by the company, are not available in these circumstances, to reduce the charge for this year.

The Corporation Tax suffered may be recoverable either in part or whole should the company sustain trading losses, as adjusted for taxation purposes over the coming three financial trading years. Due to the inherent uncertainty surrounding the availability of such losses no account of any such recoverability has been included within these financial statements.

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996**

11. Tangible fixed assets	Freehold land and buildings £	Plant and vehicles £	Fixtures and fittings £	Total £
Cost				
At 1st June 1995	1,668,951	257,979	176,981	2,103,911
Additions	3,668,944	137,533	130,498	3,936,975
Disposals	(172,285)	(60,334)	(52,724)	(285,343)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st May 1996	5,165,610	335,178	254,755	5,755,543
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation				
At 1st June 1995	414,650	135,051	90,151	639,852
Charge for the year	41,880	28,453	17,122	87,455
Disposals	(49,166)	(53,883)	(39,825)	(142,874)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st May 1996	407,364	109,621	67,448	584,433
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31st May 1996	<u>4,758,246</u>	<u>4,758,246</u>	<u>187,307</u>	<u>5,171,110</u>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st May 1995	<u>1,254,301</u>	<u>122,928</u>	<u>86,830</u>	<u>1,464,059</u>
	<hr/>	<hr/>	<hr/>	<hr/>

The net book value includes £118,674 in respect of assets held under finance leases and hire purchase contracts. The depreciation charge for the year in respect of these assets amounted to £2,525.

Included in the additions for the year is £3,573,389 invoiced by the main contractor on the construction of the new North and East Stands. The redevelopment of these stands will be completed during the 1996/97 financial year. The additional contracted costs are expected to be £1,650,000.

12. Stocks	1996 £	1995 £
Goods for resale	<u>76,607</u>	<u>109,785</u>

There were no significant differences between replacement cost and the values at which stocks are shown.

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996

13. Debtors	1996	1995
	£	£
Trade debtors	162,943	137,495
Grants receivable	432,127	8,065
Taxation recoverable	63,123	6,989
Prepayments and accrued income	16,414	19,489
Liquidated damages receivable (note 5)	193,000	-
Other debtors	30,043	65,276
	<u>897,650</u>	<u>237,314</u>

All debtors are recoverable within one year.

14. Other creditors including taxation and social security

Taxation and social security	42,365	88,210
Obligations under finance leases and hire purchase contracts	32,320	-
Accruals and deferred income	252,604	289,171
Season tickets sold in advance	433,733	400,065
Brewery loans	68,820	8,320
Other loans	39,996	-
Other creditors	124,126	14,449
	<u>993,964</u>	<u>800,215</u>

Other loans are unsecured and interest free.

15. Creditors: amounts falling due after more than one year

Bank loans	1,405,739	-
Obligations under finance leases and hire purchase contracts	64,639	-
Brewery loan	356,666	20,500
Directors loans	4,371	4,371
Other loans	139,986	-
Other creditors	47,569	136,833
	<u>2,018,970</u>	<u>161,704</u>

Directors loans are unsecured and interest free.

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996**

16. Borrowings	1996	1995
	£	£
Bank loans	1,774,481	-
Obligations under finance leases and hire purchase contracts	96,959	-
Brewery loans	425,486	28,820
Football Trust loan	179,982	-
	<u>2,476,908</u>	<u>28,820</u>
Analysis of repayments:		
Within one year or on demand	509,878	8,320
Between one and two years	112,320	8,320
Between two and five years	775,305	12,180
After more than five years	1,079,405	-
	<u>2,476,908</u>	<u>28,820</u>

The bank loans are secured by fixed and floating charges over the assets of the company. They bear interest at 1.75% over the base rate of the TSB Bank plc. £368,742 of the bank loans are repayable on demand, the remainder are repayable by monthly instalments, commencing in June 1998, and ceasing in May 2005.

Brewery loans to the value of £396,666 are secured by a charge over certain of the assets of the company. Providing the terms of the loan are adhered to, the loan is interest free and repayable in equal monthly instalments over a period of ten years. The remaining brewery loan is unsecured and repayable on demand.

Obligations under finance lease and hire purchase contracts are secured on related assets and are repayable within five years.

The Football Trust loan is unsecured and is repayable within five years.

17. Deferred credits	1996	1995
	£	£
Balance brought forward	273,028	253,110
Grants receivable in the year	1,764,040	48,691
Transferred to profit and loss account	(83,873)	(28,773)
	<u>1,953,195</u>	<u>273,028</u>

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996

18. Called up share capital	1996	1995
	£	£
Authorised		
50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted and fully paid		
14,357 ordinary shares of £1 each	<u>14,357</u>	<u>14,357</u>
19. Reconciliation of movements in shareholders' funds		
Profit/(loss) for the financial year	230,725	(298,164)
Opening shareholders' funds	<u>729,716</u>	<u>1,027,880</u>
Closing shareholders' funds	<u>960,441</u>	<u>729,716</u>

20. Contingent liabilities

Under the terms of certain agreements with other football clubs, in respect of players' transfers, additional amounts could become payable by the company if certain conditions appertaining to future first team appearances are met. The maximum amount that could be payable is £25,000 (1995 - £110,000) all of which could arise within one year.

21. Cash flow statement	1996	1995
	£	£
a) Reconciliation of operating profit/(loss) to net cash inflow from operating activities		
Operating profit/(loss)	660,910	(317,144)
Depreciation charges	87,455	74,629
Sale of tangible fixed assets	(7,692)	-
Grant amortisation	(24,627)	(28,773)
Brewery loan discount	-	(5,680)
Decrease in stocks	33,178	1,545
(Increase)/decrease in debtors	(211,874)	190,381
(Decrease)/increase in creditors	<u>(269,429)</u>	<u>354,428</u>
Net cash inflow from operating activities	<u>267,921</u>	<u>269,386</u>

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1996****21. Cash flow statement (continued)**

b) Analysis of the balances of cash and cash equivalents as shown in the balance sheet	1996	1995	Change in year
	£	£	£
Cash at bank and in hand	<u>509,598</u>	<u>431,875</u>	<u>77,723</u>
c) Analysis of changes in financing during the year	Secured loans		Unsecured loans
	£		£
At 1st June 1994	-		6,371
New loans	-		32,500
Non-cash movement	-		(5,680)
	<hr/>		<hr/>
At 31st May 1995	-		33,191
New loans	2,271,440		200,000
Repayment of loans	(3,334)		(20,018)
	<hr/>		<hr/>
At 31st May 1996	<u>2,268,106</u>		<u>213,173</u>

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED

ADDITIONAL INFORMATION STATEMENT

YEAR ENDED 31ST MAY 1996

The additional information contained on pages 20 and 21 has been prepared from the accounting records of the company. While it does not form part of the statutory financial statements, it should be read in conjunction with them and the auditors' report thereon.

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**DETAILED PROFIT AND LOSS ACCOUNT****YEAR ENDED 31ST MAY 1996**

	1996		1995	
	£	£	£	£
Turnover				
League games		741,791		1,079,406
Season tickets & club membership		644,474		779,651
Football Association Cup		22,594		229,739
Coca-Cola Cup		73,850		169,774
Other games		54,557		33,879
Advertising, sponsorship and media income		314,144		490,931
Catering and shop sales		354,226		464,863
Programme revenue		97,846		143,199
Centre Spot franchise		48,000		50,000
Total turnover		<u>2,351,482</u>		<u>3,441,442</u>
Expenditure				
Purchases for resale	314,544		354,352	
Employee costs	1,314,653		1,320,373	
Costs of employees joining and leaving	(398,426)		1,504,286	
Administrative, match and ground expenses	804,230		684,886	
Programme costs	75,607		92,800	
Property rent and hire income	(24,070)		(26,433)	
Other income	(193,000)		-	
Total expenditure		<u>(1,893,538)</u>		<u>(3,930,264)</u>
Operating profit/(loss) - before donations received		457,944		(488,822)
Donations received		<u>120,156</u>		<u>171,678</u>
Operating profit/(loss)		578,100		(317,144)
Interest receivable		23,093		19,315
Interest payable		<u>(38,468)</u>		<u>(335)</u>
Profit/(loss) for the year before tax		562,725		(298,164)
Taxation		<u>(332,000)</u>		<u>-</u>
Profit/(loss) for the financial year		<u><u>230,725</u></u>		<u><u>(298,164)</u></u>

THE BURNLEY FOOTBALL AND ATHLETIC COMPANY LIMITED**ADDITIONAL ANALYSIS FOR THE YEAR ENDED 31ST MAY 1996**

Administrative match and ground expenses	1996	1995
	£	£
Travelling, hotel and lodging costs	119,028	95,721
Playing equipment and medical expenses	48,437	21,137
Match expenses - see below	144,299	219,030
Printing, postage and advertising	34,770	35,430
Office expenses and telephone	15,297	12,810
Bank charges	31,727	25,877
Ground expenses and general repairs	31,682	43,358
Rent, rates and insurance	125,542	81,923
Light and heat	29,578	32,666
Depreciation and disposal of assets	221,819	74,629
Sundry and cleaning expenses	30,428	35,922
Scouting costs and wages	32,401	31,906
Grant credit	(83,873)	(28,773)
Legal and professional	23,095	3,250
	<u>804,230</u>	<u>684,886</u>
 Match expenses		
Policing costs	40,945	79,272
Stewarding and matchday wages	87,453	110,487
Other expenses	36,149	48,703
	<u>164,547</u>	<u>238,462</u>
Included within employee costs	(20,248)	(19,432)
	<u>144,299</u>	<u>219,030</u>