

WIGAN FOOTBALL CLUB LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2004



WIGAN FOOTBALL CLUB LIMITED

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for the Year Ended 30 November 2004

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WIGAN FOOTBALL CLUB LIMITED

COMPANY INFORMATION
for the Year Ended 30 November 2004

DIRECTORS:	M P Lindsay (Chairman) D Whelan
SECRETARY:	N Hansford
REGISTERED OFFICE:	JJB Stadium Loire Drive Robin Park Wigan Lancashire WN5 0UH
REGISTERED NUMBER:	0174692 (England and Wales)
AUDITORS:	Fairhurst Registered Auditors Chartered Accountants Douglas Bank House Wigan Lane Wigan WN1 2TB
BANKERS:	Barclays Bank PLC Victoria House 6 Market Street Wigan Lancashire WN1 1QS
SOLICITORS:	Platt & Fishwick The Old Bank King Street Wigan WN1 1DB

WIGAN FOOTBALL CLUB LIMITED

**CHAIRMAN'S STATEMENT
for the Year Ended 30 November 2004**

I am pleased to report that for the first time in six years the Club made a profit in the year ended 30 November 2004.

The profit was achieved primarily from the playing success in reaching the Challenge Cup final and finishing third in the Super League. This success helped to increase our income and coupled with firm control over expenditure we have a stable platform for the future. The average attendance increased by over 20% from the previous year and with our improved marketing and enhanced commercial professionalism we are yielding a better financial return. The current year should report strong underlying revenues once again and attendances continue to increase despite the disappointing playing results.

The football department continues to work hard to unearth and develop our young talent but recently our resources have been stretched by a terrible sequence of injuries that nobody could have predicted. We believe however, that we have the foundations in place for a very successful Club in the long term and I am confident that next season our results on the pitch will improve.

Thank you for your continuing support.

Maurice P Lindsay
Chairman

WIGAN FOOTBALL CLUB LIMITED

REPORT OF THE DIRECTORS for the Year Ended 30 November 2004

The directors present their report with the financial statements of the company for the year ended 30 November 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a professional Rugby League football club.

REVIEW OF BUSINESS

Despite suffering a number of injuries, the Club managed to reach the Challenge Cup Final and Final Eliminator in Superleague IX in 2004. As a consequence of the increase in revenues and prize money generated and further reduction in staff costs and overheads, the directors are pleased to report that the company has made a profit.

The Club had the misfortune to lose the services of its Head Coach Mike Gregory who was diagnosed as having a debilitating illness. The team came under the temporary guidance of Denis Betts but the absence of a second coach meant that the Club performed under difficult circumstances.

RESULTS AND DIVIDENDS

The results for the year and financial position of the company are as shown in the annexed financial statements and include recommended transfers to and from reserves as follows:

	£
Retained loss at 1 December 2003	(1,059,934)
Profit for the financial year after taxation	<u>108,218</u>
Accumulated deficit at 30 November 2004	<u><u>(951,716)</u></u>

No dividend can be paid (2003 - £Nil) due to brought forward losses.

DIRECTORS

The beneficial interests of the directors holding office at 30 November 2004 in the issued share capital of the company were as follows:-

	£1 Ordinary Shares	
	2004	2003
M P Lindsay (Chairman)	26	26
D Whelan	<u>8</u>	<u>8</u>

The interests of D Whelan in the issued share capital of the parent company, Whelco Holdings Limited, are disclosed in the accounts of that company.

ULTIMATE HOLDING COMPANY

The company is an 89% owned subsidiary of Whelco Holdings Limited, a company under the control and ownership of Mr D Whelan and his family.

The Club plays its first team matches at the JJB Stadium, which is owned by Wigan Football Company Limited, an 85% fellow subsidiary of Whelco Holdings Limited.

POST BALANCE SHEET EVENTS

The company has agreed to acquire the licence to occupy the training pitches at Edge hall Road, Orrell, from Orrell Rugby Union Football Club Limited for £2.9 million. These have been subsequently sold to a developer.

The club has entered into an agreement with St John Rigby College to use their pitches and training facilities. Under this agreement the company is committed to upgrade the facilities and is currently undertaking a refurbishment programme.

In March 2005 club captain Andrew Farrell agreed to join Saracens with effect from 1 June 2005.

GOING CONCERN

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. This includes the offer of continued financial support from the parent company, Whelco Holdings Limited. For this reason they continue to adopt the going concern basis in preparing the accounts.

WIGAN FOOTBALL CLUB LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 30 November 2004**

TANGIBLE FIXED ASSETS

Details of movements in tangible fixed assets during the year are set out in note 8 of the financial statements.

INTANGIBLE FIXED ASSETS

In accordance with FRS-10 the company has capitalised fees payable on the transfer of player registrations, with an amortisation charge based on the length of player contracts (see note 7).

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.

AUDITORS

The auditors, Fairhurst, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



N Hansford - Secretary

Date: 7/9/05

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
WIGAN FOOTBALL CLUB LIMITED**

We have audited the financial statements of Wigan Football Club Limited for the year ended 30 November 2004 on pages six to sixteen. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page four the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Report of the Directors is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read the Report of the Directors 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 United Kingdom 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 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 of the state of the company's affairs as at 30 November 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Fairhurst
Registered Auditors
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
WN1 2TB



Date: 8/9/05

WIGAN FOOTBALL CLUB LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 30 November 2004

		<u>2004</u>	<u>2003</u>
	Notes	£	£
TURNOVER		3,708,532	3,131,148
Cost of sales		<u>143,696</u>	<u>69,670</u>
GROSS PROFIT		3,564,836	3,061,478
Administrative expenses		<u>3,687,129</u>	<u>3,588,858</u>
		(122,293)	(527,380)
Other operating income		<u>236,045</u>	<u>222,848</u>
OPERATING PROFIT/(LOSS)	3	113,752	(304,532)
Amounts written (back)/off investments	4	<u>(1,136)</u>	<u>20,833</u>
		114,888	(325,365)
Interest payable and similar charges	5	<u>6,670</u>	<u>53,570</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		108,218	(378,935)
Tax on profit/(loss) on ordinary activities	6	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		108,218	(378,935)
Deficit brought forward		<u>(1,059,934)</u>	<u>(680,999)</u>
DEFICIT CARRIED FORWARD		<u>£(951,716)</u>	<u>£(1,059,934)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

The notes form part of these financial statements

WIGAN FOOTBALL CLUB LIMITED

BALANCE SHEET
30 November 2004

		<u>2004</u>		<u>2003</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	7		125,000		36,157
Tangible assets	8		<u>125,596</u>		<u>123,211</u>
			250,596		159,368
CURRENT ASSETS:					
Debtors	9	312,360		487,283	
Investments	10	1,136		-	
Cash at bank and in hand		<u>637,619</u>		<u>84,673</u>	
		951,115		571,956	
CREDITORS: Amounts falling due within one year	11	<u>2,025,427</u>		<u>1,663,258</u>	
NET CURRENT LIABILITIES:			<u>(1,074,312)</u>		<u>(1,091,302)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£(823,716)</u>		<u>£(931,934)</u>
CAPITAL AND RESERVES:					
Called up share capital	14		128,000		128,000
Profit and loss account			<u>(951,716)</u>		<u>(1,059,934)</u>
SHAREHOLDERS' FUNDS:	20		<u>£(823,716)</u>		<u>£(931,934)</u>

ON BEHALF OF THE BOARD:

.....
M P Lindsay (Chairman) - Director

Approved by the Board on 7/9/05

WIGAN FOOTBALL CLUB LIMITED

**CASH FLOW STATEMENT
for the Year Ended 30 November 2004**

		<u>2004</u>		<u>2003</u>	
	Notes	£	£	£	£
Net cash inflow/(outflow) from operating activities	1		1,171,279		(581,217)
Returns on investments and servicing of finance	2		(6,670)		(53,570)
Capital expenditure	2		<u>(148,925)</u>		<u>(60,741)</u>
Increase/(Decrease) in cash in the period			<u>£1,015,684</u>		<u>£(695,528)</u>

**Reconciliation of net cash flow
to movement in net debt**

	3				
Increase/(Decrease) in cash in the period		1,015,684		(695,528)	
Cash outflow from increase in liquid resources		<u>1,136</u>		<u>-</u>	
Change in net debt resulting from cash flows			<u>1,016,820</u>		<u>(695,528)</u>
Movement in net debt in the period			1,016,820		(695,528)
Net debt at 1 December			<u>(1,206,352)</u>		<u>(510,824)</u>
Net debt at 30 November			<u>£(189,532)</u>		<u>£(1,206,352)</u>

The notes form part of these financial statements

WIGAN FOOTBALL CLUB LIMITED

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 30 November 2004**

1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2004 £	2003 £
Operating profit/(loss)	113,752	(304,532)
Depreciation charges	56,892	56,110
Loss on sale of fixed assets	804	-
Decrease/(Increase) in debtors	174,924	(381,541)
Increase in creditors	<u>824,907</u>	<u>48,746</u>
Net cash inflow/(outflow) from operating activities	<u><u>1,171,279</u></u>	<u><u>(581,217)</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2004 £	2003 £
Returns on investments and servicing of finance		
Interest paid	<u>(6,670)</u>	<u>(53,570)</u>
Net cash outflow for returns on investments and servicing of finance	<u><u>(6,670)</u></u>	<u><u>(53,570)</u></u>
Capital expenditure		
Purchase of intangible fixed assets	(125,000)	-
Purchase of tangible fixed assets	(24,070)	(60,741)
Sale of tangible fixed assets	<u>145</u>	<u>-</u>
Net cash outflow for capital expenditure	<u><u>(148,925)</u></u>	<u><u>(60,741)</u></u>

WIGAN FOOTBALL CLUB LIMITED

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 30 November 2004**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/12/03 £	Cash flow £	At 30/11/04 £
Net cash:			
Cash at bank and in hand	84,673	552,946	637,619
Bank overdraft	<u>(1,291,025)</u>	<u>462,738</u>	<u>(828,287)</u>
	<u>(1,206,352)</u>	<u>1,015,684</u>	<u>(190,668)</u>
 Liquid resources:			
Investments	<u>-</u>	<u>1,136</u>	<u>1,136</u>
	<u>-</u>	<u>1,136</u>	<u>1,136</u>
 Total	<u>(1,206,352)</u>	<u>1,016,820</u>	<u>(189,532)</u>
 Analysed in Balance Sheet			
Cash at bank and in hand	84,673		637,619
Investments	-		1,136
Bank overdraft	<u>(1,291,025)</u>		<u>(828,287)</u>
	<u>(1,206,352)</u>		<u>(189,532)</u>

The notes form part of these financial statements

WIGAN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 November 2004

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The directors have considered the following matters and have concluded that it is appropriate to continue to prepare the financial statements on the going concern basis.

The Board have received assurances of ongoing support from the company's parent company, Whelco Holdings Ltd, and on the basis of projections and current operating levels believe that adequate finance is in place to allow the company to continue to trade in the foreseeable future.

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents ticket sales, sponsorship, advertising and other related income, excluding VAT, from the supply of goods and services in the normal course of business, and arose wholly in the United Kingdom.

Player registrations and signing on fees

Transfer fees and amounts paid to third parties for player registrations are capitalised as intangible fixed assets and are amortised on a straight line basis over the period of the respective players' contracts.

Player registrations are assessed on an annual basis and impairment losses arising are charged to the profit and loss account in the period in which they arise. Any surpluses arising are not accounted for.

Player signing on fees have been expensed to the profit and loss account as wages and salaries over the period to which they relate.

Tangible Fixed Assets

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation of tangible fixed assets has been calculated so as to write off the cost or revalued amount of each asset over its estimated useful life as follows:

Long leasehold buildings	- 2% per annum on straight line basis
Motor vehicles	-20% per annum on straight line basis
Fixtures, tools and equipment	-20% per annum on straight line basis

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Repairs and renewals

All expenditure is written off as incurred.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value. Current asset investments are stated at the lower of cost and net realisable value.

WIGAN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 November 2004

2. STAFF COSTS

	2004	2003
	£	£
Wages and salaries	2,382,144	2,333,035
Social security costs	<u>211,043</u>	<u>234,845</u>
	<u><u>2,593,187</u></u>	<u><u>2,567,880</u></u>

Included in the above are contract termination payments of £79,368 to former players and coaches (2003 - 19,550).

Directors' remuneration, being fees and emoluments for services as director, included in the above, totalled:-

2004	2003
£	£
<u>Nil</u>	<u>Nil</u>

The average monthly number of employees during the year was as follows:

	2004	2003
Playing and coaching staff	92	82
Administration	<u>12</u>	<u>17</u>
	<u><u>104</u></u>	<u><u>99</u></u>

3. OPERATING PROFIT/(LOSS)

The operating profit (2003 - operating loss) is stated after charging/(crediting):

	2004	2003
	£	£
Hire of plant and machinery	2,135	1,287
Depreciation - owned assets	20,736	19,954
Loss on disposal of fixed assets	804	-
Player registration fees written off	36,156	36,156
Auditors' remuneration - audit fees	5,250	5,000
- accountancy and taxation	4,140	2,640
Appearance monies	<u>(30,000)</u>	<u>-</u>

4. AMOUNTS WRITTEN (BACK)/OFF INVESTMENTS

	2004	2003
	£	£
Reinstatement of investment to market value	(1,136)	-
Permanent diminution in value of investment	<u>-</u>	<u>20,833</u>
	<u><u>(1,136)</u></u>	<u><u>20,833</u></u>

WIGAN FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 November 2004**

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£	£
Bank interest	5,494	53,570
Other interest	<u>1,176</u>	<u>-</u>
	<u><u>6,670</u></u>	<u><u>53,570</u></u>

6. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 30 November 2004 nor for the year ended 30 November 2003, due to trading losses.

7. INTANGIBLE FIXED ASSETS

	Player registration fees
	£
COST:	
At 1 December 2003	230,000
Additions	125,000
Disposals	<u>(45,000)</u>
At 30 November 2004	<u>310,000</u>
AMORTISATION:	
At 1 December 2003	193,844
Charge for year	36,156
Eliminated on disposals	<u>(45,000)</u>
At 30 November 2004	<u>185,000</u>
NET BOOK VALUE:	
At 30 November 2004	<u><u>125,000</u></u>
At 30 November 2003	<u><u>36,157</u></u>

WIGAN FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 November 2004**

8. TANGIBLE FIXED ASSETS

	Long leasehold property	Improvements to property	Fixtures, tools & equipment	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1 December 2003	56,746	45,294	76,736	16,850	195,626
Additions	-	6,446	17,624	-	24,070
Disposals	-	(145)	(1,779)	-	(1,924)
At 30 November 2004	<u>56,746</u>	<u>51,595</u>	<u>92,581</u>	<u>16,850</u>	<u>217,772</u>
DEPRECIATION:					
At 1 December 2003	10,766	-	51,539	10,110	72,415
Charge for year	1,135	1,550	14,681	3,370	20,736
Eliminated on disposals	-	-	(975)	-	(975)
At 30 November 2004	<u>11,901</u>	<u>1,550</u>	<u>65,245</u>	<u>13,480</u>	<u>92,176</u>
NET BOOK VALUE:					
At 30 November 2004	<u>44,845</u>	<u>50,045</u>	<u>27,336</u>	<u>3,370</u>	<u>125,596</u>
At 30 November 2003	<u>45,980</u>	<u>45,294</u>	<u>25,197</u>	<u>6,740</u>	<u>123,211</u>

**9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2004 £	2003 £
Trade debtors	11,878	24,563
Other debtors	37,588	11,187
Accrued income	219,046	435,820
Prepayments	<u>43,848</u>	<u>15,713</u>
	<u>312,360</u>	<u>487,283</u>

10. INVESTMENTS

Along with the rest of the Super League clubs, the company holds 1/12th of the non participating shares in Hull FC, a fellow Super League club. Under the terms of an option agreement negotiated with Super League (Europe) Ltd, the Hull club has the option to buy back the shares. Super League (Europe) Ltd hold the shares as authorised agents of the company as well as the other Super League clubs.

In the previous year the value of this investment was estimated by the directors to be £Nil and it was written down accordingly.

After the year end, the Superleague clubs agreed on a proposal for Hull FC to buy back the shares for £12,500 in total, resulting in £1,136 each for the remaining eleven clubs. Therefore the investment has been reinstated to this value as at 30 November 2004.

WIGAN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 November 2004

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Bank loans and overdrafts (see note 12)	828,287	1,291,025
Trade creditors	96,810	30,382
Amounts owed to group undertakings	217,090	35,057
Amounts owed to related undertakings	13,464	63,323
Social security & other taxes	69,167	60,467
Deferred income	552,887	5,262
Accrued expenses	<u>247,722</u>	<u>177,742</u>
	<u><u>2,025,427</u></u>	<u><u>1,663,258</u></u>

12. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2004 £	2003 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>828,287</u>	<u>1,291,025</u>

13. SECURED DEBTS

The parent company, Whelco Holdings Limited, has guaranteed unlimited cover over the company's bank overdraft facilities.

14. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2004 £	2003 £
128,000	Ordinary	£1	<u>128,000</u>	<u>128,000</u>

15. ULTIMATE PARENT COMPANY

The company is an 89% subsidiary of Whelco Holdings Limited, a company owned by the Whelan family, and registered in England and Wales.

WIGAN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 November 2004

16. OPERATING LEASE COMMITMENTS

The company have a one year rental agreement with Orrell Rugby Union Football Club Limited, a fellow subsidiary, to use the first team pitch, clubhouse and other facilities at Edgehall Road, Orrell, for Academy fixtures.

The Club has a 25 year renewable licence to use the JJB Stadium, owned by Wigan Football Company Limited, at rates determined by match revenues.

17. OTHER FINANCIAL COMMITMENTS

The company is committed to pay the following contractual obligations, relating to players' contracts within the next year:

	2004	2003
Expiring:	£	£
Within one year	107,999	859,999
Between one to five years	<u>1,234,500</u>	<u>672,000</u>
	<u>1,342,499</u>	<u>1,531,999</u>

18. TRANSACTIONS WITH DIRECTORS

The following is a summary of transactions between the company and its directors and businesses in which they have a significant financial interest:

Director	Name of business	Sales during the year £	Sales ledger at 30.11.04 £	Purchases during the year £	Purchase ledger at 30.11.04 £
D Whelan	JJB Sports	<u>1,281,890</u>	<u>99</u>	<u>676,124</u>	<u>217,449</u>

The above transactions have been conducted on an arms length basis and in the ordinary course of business.

Mr D Whelan also has a significant financial interest in Whelco Holdings Ltd which is the ultimate parent company and has provided financial support and loan monies to the company during the year.

19. POST BALANCE SHEET EVENTS

The company has agreed to acquire the licence to occupy the training pitches at Edge hall Road, Orrell, from Orrell Rugby Union Football Club Limited for £2.9 million. These have been subsequently sold to a developer.

The club has entered into an agreement with St John Rigby College to use their pitches and training facilities. Under this agreement the company is committed to upgrade the facilities and is currently undertaking a refurbishment programme.

In March 2005 club captain Andrew Farrell agreed to join Saracens with effect from 1 June 2005.

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit/(Loss) for the financial year	<u>108,218</u>	<u>(378,935)</u>
Net addition/(reduction) to shareholders' funds	108,218	(378,935)
Opening shareholders' funds	<u>(931,934)</u>	<u>(552,999)</u>
Closing shareholders' funds	<u>(823,716)</u>	<u>(931,934)</u>
Equity interests	<u>(823,716)</u>	<u>(931,934)</u>