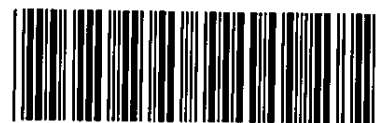


SHREWSBURY TOWN FOOTBALL CLUB PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2008



WR
Whittingham Riddell
chartered accountants

FRIDAY



A73 *A3C3X6YT* 657
30/01/2009
COMPANIES HOUSE

SHREWSBURY TOWN FOOTBALL CLUB PLC

COMPANY INFORMATION

DIRECTORS

R E Wycherley
K J Sayfritz
R V Bickerton (appointed 14/01/08)

SECRETARY

Mr M D Parry

COMPANY NUMBER

315587

REGISTERED OFFICE

Prostar Stadium
Oteley Road
Shrewsbury
Shropshire
SY2 6ST

AUDITORS

Whittingham Riddell LLP
Chartered Accountants & Registered Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

SHREWSBURY TOWN FOOTBALL CLUB PLC

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Members of the Company will be held at the Prostar Stadium, Shrewsbury on Tuesday 17 March 2009 at 10:00am for the following purposes:-

- 1) To receive and consider the Accounts for the period ended 30th June 2008 and the Report of the Directors and of the Auditors.
- 2) To elect Directors.
- 3) To appoint Auditors and to authorise the Directors to fix their remuneration.
- 4) As special business to consider and if thought fit, to pass an Ordinary Resolution to permit the Company to use electronic communications with its members pursuant of Section 1144 of the Companies Act 2006.

Any member of the Company entitled to attend and vote may appoint another person (whether a member or not) as his proxy to vote instead of him. The instrument appointing a proxy shall be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting.

By Order of the Board



Mr M D Parry
Company Secretary

SHREWSBURY TOWN FOOTBALL CLUB PLC

**ANNUAL GENERAL MEETING
TO BE HELD AT THE NEW STADIUM ON WEDNESDAY 20TH FEBRUARY 2008**

AGENDA

- 1 Notice convening the meeting
- 2 Minutes
- 3 Apologies
- 4 Chairman's remarks
- 5 Accounts, Balance Sheet, Auditors' Report and Directors' Report
- 6 Election of Directors
- 7 Appointment of Auditors
- 8 Special Business
- 9 Any other business

SHREWSBURY TOWN FOOTBALL CLUB PLC

CONTENTS

	Page
Chairman's report	3
Directors' report	4 - 5
Independent auditors' report	6 - 7
Profit and loss account	8
Balance sheet	9
Cash flow statement	10
Notes to the financial statements	11 - 19

SHREWSBURY TOWN FOOTBALL CLUB PLC

CHAIRMAN'S REPORT FOR THE PERIOD ENDED 30 JUNE 2008

Readers will note that this year's accounts cover a 13 month period as we are adjusting our financial year to better reflect the Club's operational year and to adopt what is now common practice among the majority of Football League Clubs. In part this masks the opportunity to make simple like-for-like comparisons between this and previous years. Additionally, of course, when seeking to make such observations it is necessary to remember that our previous year was unrepresentative of what had gone before as it included very significant income from a Wembley appearance, our End of Era celebrations marking our exit from Gay Meadow and the sale proceeds from that site. In similar vein, this year's accounts still include some transitional items relating to the building of the new stadium.

These one-off factors aside, it is a matter of record that our average turnover at Gay Meadow was in the region of £1.5 million per year. Crucially, this was static with no real opportunity for growth and therefore no sustainable mechanism (other than Directors' benevolence) for funding investments into the playing team. In contrast, these accounts show that even in a year when the focus has had to be on getting operational in our new environment, turnover has increased very significantly. Moreover, as we now turn our attention from consolidation to expansion, there exists the potential to grow our income, on a sustainable basis, to three or four times what was previously the norm.

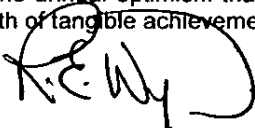
As important, is the fact that our income is now more diverse than ever before. Our gates are up and with that the other purchases made by fans from refreshments to merchandise. The Club's commercial operation has also entered a new era and the Club's greater interaction with businesses is exemplified by the strength of our new flagship Sovereign Club boasting nearly three times the membership of its predecessor. And, on non-match days, our conferencing and banqueting facilities are alive with visitors as our hospitality team draw an ever wider range of people to the site. It is a testament to their achievements that, from a standing start, we have so quickly attracted so many business and social functions, that our Sunday lunches are fast becoming renowned and difficult to book and that, during December 2007 - our first Christmas - we served a remarkable 7,500 meals.

Such progress on all fronts requires much hard work. Accordingly, I would like to record my thanks to fellow Directors, staff and volunteers who have contributed so much. Also to our sponsors, business supporters and fans who continue to demonstrate their strong support for the Club. Financial matters aside, it is heartening that our broadening range of activities mean that thousands more local people from all walks of life are now engaging with the Club and recognising the stadium as a huge asset to both the town and county. All of this will surely have laid to rest any lingering doubts about the necessity of the move or about the Board's motives for focusing on it so relentlessly.

Of course all of the achievements that have crystallised in the last year are about building for the future, securing the Club's finances and underpinning sustained progress on the pitch. Unfortunately, everyone will recognise that, in this respect, progress was not as anticipated. Matters started well enough and the attractive football of early matches emphasised the excellent playing surface we now boast. However, inexplicably, post Christmas our form fell away dramatically. Despite strenuous efforts and investment to try to turn this round we won just two League games out of our last 23. Ultimately, this dispiriting process saw the hard working manager that had taken us to a Wembley playoff just a season earlier leave the Club.

This train of events cannot be described as anything other than a setback. However, it must not be allowed to mask the overall progress achieved by the Club and our underlying strength derived from being based in a purpose built, modern and debt-free facility. The new season sees us with a talented new manager, new signings and a renewed sense of optimism. Partly that is the annual optimism that is inherent in football and shared by all loyal supporters, but partly it's also because of the wealth of tangible achievements off the pitch during the period covered by these accounts.

Name R E Wycherley
Chairman



Date

SHREWSBURY TOWN FOOTBALL CLUB PLC

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2008

The directors present their report and the financial statements for the period ended 30 June 2008.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual report and 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 affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

PRINCIPAL ACTIVITIES

The company's principal activity continues to be that of a Professional Football Club. The results of the Company are shown on page 6 in the profit and loss account.

BUSINESS REVIEW AND PERIOD END

A review of the developments of the company during the financial year is given in the Chairman's report. The company's reporting period has been extended to 30 June to tie in with various commercial cycles. Future accounts will be drawn up to 30 June each year.

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounted to £1,796 (2007 - £12,043,550).

The directors do not recommend the payment of a dividend.

DIRECTORS

The directors who served during the period were:

R E Wycherley
K J Sayfritz
R V Bickerton (appointed 14/01/08)

The director retiring by rotation is R E Wycherley, who being eligible, offers himself for re-election. Nominations for the Board of Directors signed by the proposer and seconder must be in the hands of the secretary, Prostar Stadium, Shrewsbury, no later than Tuesday 10 March 2009.

COMPANY'S POLICY FOR PAYMENT OF CREDITORS

The Company does not follow a standard payment practice. The terms of payment are agreed individually with suppliers.

SHREWSBURY TOWN FOOTBALL CLUB PLC

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2008

SUPPORTERS ORGANISATIONS

The Board of Directors express appreciation for the help given by Supporters Organisations.

PROVISION OF INFORMATION TO AUDITORS

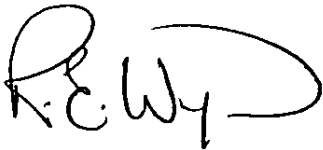
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Whittingham Riddell LLP, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 20 January 2009 and signed on its behalf.



R E Wycherley
Director

SHREWSBURY TOWN FOOTBALL CLUB PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SHREWSBURY TOWN FOOTBALL CLUB PLC

We have audited the financial statements of Shrewsbury Town Football Club Plc for the period ended 30 June 2008, set out on pages 8 to 19. These financial statements have been prepared in accordance with 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

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 judgments 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.

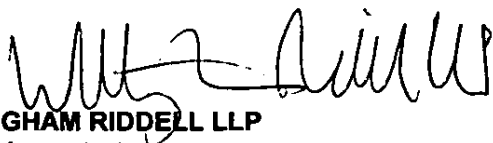
SHREWSBURY TOWN FOOTBALL CLUB PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SHREWSBURY TOWN FOOTBALL CLUB PLC

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 30 June 2008 and of its profit for the period 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.



WHITTINGHAM RIDDELL LLP

Chartered Accountants
Registered Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

29 January 2009

SHREWSBURY TOWN FOOTBALL CLUB PLC

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 JUNE 2008**

	Note	2008 £	2007 £
TURNOVER	1,2	4,322,792	2,383,735
Cost of sales		(3,776,290)	(2,040,503)
GROSS PROFIT		546,502	343,232
Administrative expenses		(641,468)	(338,840)
OPERATING (LOSS)/PROFIT	3	(94,966)	4,392
Interest receivable		97,659	30,191
Interest payable	7	(897)	(1,268)
PROFIT ON ORDINARY ACTIVITIES AFTER INTEREST AND BEFORE EXCEPTIONAL ITEMS		1,796	33,315
EXCEPTIONAL ITEMS			
Sale of Gay Meadow	8	-	12,010,235
PROFIT FOR THE YEAR BEFORE TAXATION		1,796	12,043,550
Tax on profit on ordinary activities	9	-	-
PROFIT FOR THE YEAR	18	1,796	12,043,550

All amounts relate to continuing operations.

There were no recognised gains and losses for 2008 or 2007 other than those included in the Profit and loss account.

The notes on pages 11 to 19 form part of these financial statements.

SHREWSBURY TOWN FOOTBALL CLUB PLC

**BALANCE SHEET
AS AT 30 JUNE 2008**

		30 June 2008	As restated 31 May 2007
	Note	£	£
FIXED ASSETS			
Intangible fixed assets	10	27,000	-
Tangible fixed assets	11	14,705,589	14,293,177
		14,732,589	14,293,177
CURRENT ASSETS			
Stocks	12	89,603	7,790
Debtors	13	125,618	581,966
Cash at bank and in hand		1,952,269	1,535,454
		2,167,490	2,125,210
CREDITORS: amounts falling due within one year	14	(1,070,116)	(772,183)
NET CURRENT ASSETS		1,097,374	1,353,027
TOTAL ASSETS LESS CURRENT LIABILITIES		15,829,963	15,646,204
DEFERRED CAPITAL GRANT	16	(2,156,318)	(2,049,355)
NET ASSETS		13,673,645	13,596,849
CAPITAL AND RESERVES			
Called up share capital	17	1,744,478	1,669,478
Profit and loss account	18	11,929,167	11,927,371
SHAREHOLDERS' FUNDS	19	13,673,645	13,596,849

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 January 2009.



R E Wycherley
Director

The notes on pages 11 to 19 form part of these financial statements.

SHREWSBURY TOWN FOOTBALL CLUB PLC

**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2008**

	Note	2008 £	2007 £
Net cash flow from operating activities	20	960,709	(2,811,886)
Returns on investments and servicing of finance	21	96,762	28,923
Capital expenditure and financial investment	21	(713,456)	3,924,446
CASH INFLOW BEFORE FINANCING		344,015	1,141,483
Financing	21	72,800	597,388
INCREASE IN CASH IN THE PERIOD		416,815	1,738,871

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE PERIOD ENDED 30 JUNE 2008**

	2008 £	2007 £
Increase in cash in the period	416,815	1,738,871
Cash outflow from decrease in debt and lease financing	2,200	6,050
MOVEMENT IN NET DEBT IN THE PERIOD	419,015	1,744,921
Net funds/(debt) at 1 June 2007	1,533,254	(211,667)
NET FUNDS AT 30 JUNE 2008	1,952,269	1,533,254

The notes on pages 11 to 19 form part of these financial statements.

SHREWSBURY TOWN FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2008

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

Following the change in accounting reference date, adjustment has been made contrary to FRS 5 'Reporting the substance of transactions' to allow a full year's income to be matched by a full year's contractually committed wages and salaries costs, this in order to more fairly present the annual and comparative performance and aid the reader's interpretation of the accounts. Opening reserves have been restated and quantified accordingly (see Note 18).

1.2 Turnover

Turnover is stated net of Value Added Tax and represents amounts receivable by the club in the ordinary course of business with the exception of those items included separately in other operating income.

1.3 Transfer fees and signing on fees

In accordance with Financial Reporting Standard 10, Goodwill and Intangible Assets, amounts paid to third parties (including levies) on the acquisition of players' registrations are capitalised as intangible assets and amortised over the period of the players initial contract.

Fees receivable on the transfer of a player's registration are dealt with in the period in which the transfer takes place. Any profit or loss arising on the sale of a registration is dealt with in the trading account.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2%	straight line
Plant & Machinery	-	15%	reducing balance
Motor Vehicles	-	25%	reducing balance

1.5 Stocks

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

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

SHREWSBURY TOWN FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2008

1. ACCOUNTING POLICIES (continued)

1.7 Pensions

The company contributes to a defined benefits pension scheme for selected employees. In August 2002 (the date of the most recent Triennial Actuarial Review) the scheme was £46,936 under funded. The contributions to bring the scheme to the required level will be charged to the profit and loss account as they become payable over the following ten years.

1.8 Football trust grants receivable

Capital grants are deferred in the year in which expenditure is incurred and then amortised over the useful life of the relevant asset. Revenue grants are credited to the profit and loss account.

2. TURNOVER

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom.

3. OPERATING (LOSS)/PROFIT

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

	2008 £	2007 £
Amortisation - intangible fixed assets	213,000	2,222
Depreciation of tangible fixed assets: - owned by the company	<u>194,450</u>	<u>51,552</u>

4. AUDITORS' REMUNERATION

	2008 £	2007 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>4,200</u>	<u>4,202</u>

SHREWSBURY TOWN FOOTBALL CLUB PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2008**

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2008	2007
	£	£
Wages and salaries	2,291,760	1,435,164
Social security costs	183,545	137,943
Other pension costs	11,375	10,003
	2,486,680	1,583,110

The average monthly number of employees, including the directors, during the period was as follows:

	2008	2007
	No.	No.
Players	32	28
Administrative	19	14
Other Staff	37	4
	88	46

6. DIRECTORS' REMUNERATION

	2008	2007
	£	£
Emoluments and benefits	27,387	-

7. INTEREST PAYABLE

	2008	2007
	£	£
On bank loans and overdrafts	716	543
On finance leases and hire purchase contracts	181	725
	897	1,268

8. EXCEPTIONAL ITEMS

	2008	2007
	£	£
Profit on disposal of Gay Meadow	-	12,010,235

SHREWSBURY TOWN FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2008

9. TAXATION

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2007 - lower than) the standard rate of corporation tax in the UK (19%). The differences are explained below:

	2008 £	2007 £
Profit on ordinary activities before tax	1,796	12,043,550
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2007 - 19%)	341	2,288,275
Effects of:		
Utilisation of tax losses	(341)	(6,330)
Rollover relief on profit on disposal of fixed assets	-	(2,281,945)
Current tax charge for the period (see note above)	-	-

Factors that may affect future tax charges

The company's trading tax losses carried forward will eliminate any charge to corporation tax for the foreseeable future.

10. INTANGIBLE FIXED ASSETS

	Players contracts £
Cost	
Additions	240,000
At 30 June 2008	240,000
Amortisation	
Charge for the period	213,000
At 30 June 2008	213,000
Net book value	
At 30 June 2008	27,000

SHREWSBURY TOWN FOOTBALL CLUB PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2008**

11. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 June 2007	14,262,378	8,460	28,250	14,299,088
Additions	401,144	200,276	33,506	634,926
Disposals	-	-	(37,785)	(37,785)
At 30 June 2008	14,663,522	208,736	23,971	14,896,229
Depreciation				
At 1 June 2007	-	1,550	4,361	5,911
Charge for the period	135,137	49,224	10,089	194,450
On disposals	-	-	(9,721)	(9,721)
At 30 June 2008	135,137	50,774	4,729	190,640
Net book value				
At 30 June 2008	14,528,385	157,962	19,242	14,705,589
At 31 May 2007	14,262,378	6,910	23,889	14,293,177

12. STOCKS

	30 June 2008 £	31 May 2007 £
Consumables	12,413	7,790
Merchandise	77,190	-
	89,603	7,790

13. DEBTORS

	30 June 2008 £	31 May 2007 £
Trade debtors	8,543	30,224
Other debtors	68,702	454,633
Prepayments and accrued income	48,373	97,109
	125,618	581,966

SHREWSBURY TOWN FOOTBALL CLUB PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2008**

14. CREDITORS:

Amounts falling due within one year

	30 June 2008 £	31 May 2007 £
Net obligations under finance leases and hire purchase contracts	-	2,200
Trade creditors	353,143	203,696
Social security and other taxes	121,170	43,970
Other creditors	30,960	52,327
Accruals and deferred income	155,080	469,990
Season ticket receipts paid for in advance	409,763	-
	<u>1,070,116</u>	<u>772,183</u>

15. DEFERRED TAXATION

The provision for deferred taxation is made up as follows:

	30 June 2008 £	31 May 2007 £
Tax losses carried forward	468,490	422,491
Undiscounted provision for deferred tax	468,490	422,491
Amounts not provided for	(468,490)	(422,491)
Provision for deferred tax	<u>-</u>	<u>-</u>

16. DEFERRED CAPITAL GRANT

	2008 £	2007 £
Grants received	2,200,325	2,049,355
Amortisation charge on grant	(44,007)	-
	<u>2,156,318</u>	<u>2,049,355</u>

SHREWSBURY TOWN FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2008

17. SHARE CAPITAL

	30 June 2008 £	31 May 2007 £
Authorised		
800,000 Ordinary shares of £2.50 each	<u>2,000,000</u>	<u>2,000,000</u>
Allotted, called up and fully paid		
697,791 (2007 - 667,791) Ordinary shares of £2.50 each	<u>1,744,478</u>	<u>1,669,478</u>

During the year 30,000 ordinary shares of £2.50 each were issued fully paid for cash at par for consideration of £75,000 in order to provide additional working capital.

18. RESERVES

	Profit and loss account £
At 1 June 2007 (as previously stated)	12,090,880
Prior year adjustment (note 1.1)	(163,509)
At 1 June 2007 (as restated)	<u>11,927,371</u>
Profit for the period	1,796
At 30 June 2008	<u>11,929,167</u>

19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	30 June 2008 £	31 May 2007 £
Opening shareholders' funds	13,760,358	1,113,370
Prior year adjustments (note 18)	(163,509)	(163,509)
Opening shareholders' funds (as restated)	<u>13,596,849</u>	<u>949,861</u>
Profit for the period	1,796	12,043,550
Shares issued during the period	75,000	603,438
Closing shareholders' funds	<u>13,673,645</u>	<u>13,596,849</u>

SHREWSBURY TOWN FOOTBALL CLUB PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2008**

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2008 £	2007 £
Operating (loss)/profit	(94,966)	4,392
Amortisation of intangible fixed assets	213,000	2,222
Depreciation of tangible fixed assets	194,450	51,552
Loss on disposal of tangible fixed assets	17,564	4,839
(Increase)/decrease in stocks	(81,813)	9,144
Decrease in debtors	456,348	90,008
Increase/(decrease) in creditors	256,126	(2,974,043)
Net cash inflow/(outflow) from operations	960,709	(2,811,886)

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2008 £	2007 £
Returns on investments and servicing of finance		
Interest received	97,659	30,191
Interest paid	(716)	(543)
Hire purchase interest	(181)	(725)
Net cash inflow from returns on investments and servicing of finance	96,762	28,923

	2008 £	2007 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(240,000)	-
Purchase of tangible fixed assets	(634,926)	(10,788,173)
Sale of tangible fixed assets	10,500	13,114,982
Government grants received	150,970	-
Grants received	-	1,597,637
Net cash (outflow)/inflow from capital expenditure	(713,456)	3,924,446

	2008 £	2007 £
Financing		
Issue of ordinary shares	75,000	603,438
Repayment of finance leases	(2,200)	-
Repayment of finance leases	-	(6,050)
Net cash inflow from financing	72,800	597,388

SHREWSBURY TOWN FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2008

22. ANALYSIS OF CHANGES IN NET DEBT

	1 June 2007 £	Cash flow £	Other non-cash changes £	30 June 2008 £
Cash at bank and in hand:	1,535,454	416,815	-	1,952,269
Debt:				
Finance leases	(2,200)	2,200	-	-
Net funds	1,533,254	419,015	-	1,952,269

23. CAPITAL COMMITMENTS

At 30 June 2008 the Company had capital commitments as follows:

	30 June 2008 £	31 May 2007 £
Contracted for but not provided in these financial statements re New Stadium	-	422,063

24. PENSION COMMITMENTS

Eligible staff are members of the Football League Limited Pension and Life Assurance Scheme, which is a defined benefit scheme. The assets of the scheme are held separately from those of the company, being invested with an insurance company.

Total pension costs charged during the year amounted to £11,375 (2007: £10,003).

25. RELATED PARTY TRANSACTIONS

During the year the company made sales of £50,000 (2007: £9,500) and purchased goods and services of £19,370 (2007: £9,588) from Greenhous Group Limited, a company of which K J Sayfritz is a director. At the end of the year the balance due to Greenhous Group Limited was £145 (2007: £5,060).