

St.Helens Rugby Football Club Limited



Company registration number:	331905
Registered office:	Dunriding Lane St Helens Merseyside WA10 4AD
Directors:	E Ashton MBE (Chairman) T Ellard (Vice-Chairman) E Latham W Jelley M Kay H Morris J Pickavance
Chief Executive:	D Howes
Secretary:	G Sutcliffe
Bankers:	National Westminster Bank Plc St Helens
Solicitors:	Frodshams St Helens
Auditors:	Grant Thornton Registered auditors Chartered accountants Liverpool





St. Helens Rugby Football Club Limited

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St. Helens Rugby Football Club Limited

REPORT OF THE DIRECTORS

The directors present their report together with the financial statements for the seventeen month period from 1 June 1995 to 31 October 1996.

Principal activity

The company is principally engaged in promoting rugby league football.

Business review

There was a loss for the period amounting to £219,451.

The directors do not recommend the payment of a dividend and the loss has been added to the deficit on the profit and loss account.

Directors

The present membership of the Board is set out below. All directors served throughout the period apart from Mr M Preston and Mr S W J Pyke who retired from the board on 26 July 1995 and 26 October 1995 respectively.

Mr J Pickavance has indicated his intention to formally resign as a director at the Annual General Meeting.

The Board wishes to thank Mr Pickavance, Mr Pyke and Mr Preston for their services to the club.

The Board do not intend to fill the ensuing vacancies.

Mr E Latham and Mr H Morris retire by rotation and being eligible offer themselves for re-election.

The interests of the directors in the shares of the company as at 1 June 1995 and 31 October 1996, were as follows:-

	31 October 1996 Number of shares	1 June 1995 Number of shares
E Ashton MBE	128	118
T Ellard	562	532
J Pickavance	130	130
E Latham	198	198
W Jelley	100	100
M Kay	393	363
H Morris	300	300



St. Helens Rugby Football Club Limited

REPORT OF THE DIRECTORS

Directors' responsibilities for the financial statements

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 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;
- state whether applicable 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Land and buildings

During the period the land and buildings were revalued and the revised values incorporated in the financial statements. The deficit of £118,794 arising from the revaluation has been transferred to the revaluation reserve.

Charitable and political contributions

Donations to charitable organisations amounted to £5,105.

Auditors

Grant Thornton were appointed auditors during the period to fill a casual vacancy in accordance with Section 388(1) of the Companies Act 1985. A resolution to reappoint Grant Thornton as auditors will be proposed at the General Meeting to be held on 10 March 1997.

BY ORDER OF THE BOARD

G Sutcliffe
Secretary

11 February 1997

Note: To conform with Article 11, all nominations for the office of director must reach the registered office of the company, Dunriding Lane, St Helens, at least 14 days before the General Meeting. The share qualification of a director is the holding of at least 100 shares.

St. Helens Rugby Football Club Limited



REPORT OF THE AUDITORS

TO THE MEMBERS OF ST. HELENS RUGBY FOOTBALL CLUB LIMITED

We have audited the financial statements on pages 4 to 18 which have been prepared under the accounting policies set out on pages 4 and 5.

Respective responsibilities of directors and auditors

As described on page 2 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 considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from misstatements, 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 on page 4 of the financial statements concerning the continuation and renewal of the company's bank overdraft facility. In view of the significance of this matter we consider it should be drawn to your attention but 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 31 October 1996 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LIVERPOOL

A handwritten signature in cursive script that reads 'Grant Thornton'.

11 February 1997



St. Helens Rugby Football Club Limited

PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention except that freehold land and buildings are shown at their revalued amounts. The principal accounting policies of the company are set out below. The policies have remained unchanged from the previous year.

Going concern

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand.

The nature of the company's business is such that there can be considerable variation in the timing of cash inflows. The directors have prepared projected cash flow information for the period ending 8 months from the date of their approval of these financial statements. On the basis of this cash flow information and discussions with the company's bankers, the directors consider that the company will continue to operate within the facility currently agreed and within that which they expect will be agreed on 28 February 1997 when the company's bankers are due to consider renewing the facility for a further period. However, the margin of facilities over requirements is not large and, inherently, there can be no certainty in relation to these matters. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the overdraft facility by the company's bankers.

Turnover

Turnover is the total amount receivable by the company, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of tangible fixed assets other than freehold land and buildings by annual amounts over their expected useful lives. The rates/periods generally applicable are:-

Fixtures, fittings and equipment	10% on written down value or 3 years on a straight line basis
Motor vehicles	25% on written down value

Depreciation is not provided on freehold property. This is a departure from Statement of Standard Accounting Practice 12, which states that depreciation should be provided for on all fixed assets with a finite useful economic life. It is the policy of the company to maintain the property in such a condition that the residual values are at least equal to book value and consequently, any element of depreciation would, in the opinion of the directors, be immaterial. Residual values are appraised on a regular basis by reference to professional valuers. Provision will be made against the book value in the event of any permanent diminution in value.



St. Helens Rugby Football Club Limited

PRINCIPAL ACCOUNTING POLICIES

Transfer fees

Fees payable to and receivable from other rugby football clubs on the transfer of player's registrations are dealt with through the profit and loss account in the accounting period in which the transfer of the player's registration takes place.

Investments

Investments are included at cost.

Stocks

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

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Contributions to pension funds

Defined contribution scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period. The assets of the pension scheme are held separately from those of the company in independently administered funds.



St. Helens Rugby Football Club Limited

PROFIT AND LOSS ACCOUNT

FOR THE SEVENTEEN MONTH PERIOD ENDED 31 OCTOBER 1996

		17 months to 31 October 1996	12 months to 31 May 1995
	Note	£	£
Turnover	1	3,443,637	1,363,494
Direct and other administrative costs	2	(3,490,744)	(1,514,117)
Operating loss		(47,107)	(150,623)
Net interest payable	3	(75,144)	(35,769)
Loss before transfer fees		(122,251)	(186,392)
Net transfer fees	4	(97,200)	(56,430)
Net loss for the period	15	(219,451)	(242,822)

The accompanying accounting policies and notes form an integral part of these financial statements.



St. Helens Rugby Football Club Limited

BALANCE SHEET

AT 31 OCTOBER 1996

	Note	31 October 1996 £	31 May 1995 £
Fixed assets			
Tangible assets	7	1,439,045	1,426,759
Investments	8	26	26
		<u>1,439,071</u>	<u>1,426,785</u>
Current assets			
Stocks	9	18,124	39,213
Debtors	10	182,123	5,896
Cash at bank and in hand		1,140	41,883
		<u>201,387</u>	<u>86,992</u>
Creditors: amounts falling due within one year	11	(1,323,347)	(925,471)
Net current liabilities		<u>(1,121,960)</u>	<u>(838,479)</u>
Total assets less current liabilities		317,111	588,306
Creditors: amounts falling due after more than one year	12	(85,075)	(18,025)
		<u>232,036</u>	<u>570,281</u>
Capital and reserves			
Called up share capital	14	7,000	7,000
Revaluation reserve	15	790,606	909,400
Profit and loss account	15	(565,570)	(346,119)
Shareholders' funds	16	<u>232,036</u>	<u>570,281</u>

The financial statements were approved by the Board of Directors on 11 February 1997.

E Ashton MBE)
T Ellard) Directors *E. Ashton*
T. Ellard

The accompanying accounting policies and notes form an integral part of these financial statements.



St. Helens Rugby Football Club Limited

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 OCTOBER 1996

	Note	1996 £	1995 £
Net cash inflow/(outflow) from operating activities	17	<u>94,743</u>	<u>(43,095)</u>
Returns on investments and servicing of finance			
Interest received		190	150
Interest paid		(72,226)	(34,358)
Finance lease interest paid		<u>(3,108)</u>	<u>(1,561)</u>
Net cash outflow from returns on investments and servicing of finance		<u>(75,144)</u>	<u>(35,769)</u>
Investing activities			
Purchase of tangible fixed assets		(160,277)	(51,252)
Sale of tangible fixed assets		<u>300</u>	<u>4,765</u>
		<u>(159,977)</u>	<u>(46,487)</u>
Net cash outflow before financing		<u>(140,378)</u>	<u>(125,351)</u>
Financing			
Receipts from borrowing		(59,500)	-
Repayment of borrowing		87,482	68,155
Capital element of finance lease rentals		<u>(2,641)</u>	<u>(11,314)</u>
Net cash inflow from financing	18	<u>25,341</u>	<u>56,841</u>
Decrease in cash and cash equivalents	19	<u>(165,719)</u>	<u>(182,192)</u>
		<u>(140,378)</u>	<u>(125,351)</u>

The accompanying accounting policies and notes form an integral part of these financial statements.



St. Helens Rugby Football Club Limited

STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES

FOR THE PERIOD ENDED 31 OCTOBER 1996

	1996 £	1995 £
Loss for the financial period	(219,451)	(242,822)
Unrealised deficit on revaluation of land and buildings	(118,794)	-
Total recognised loss for the period	<u>(338,245)</u>	<u>(242,822)</u>

The accompanying accounting policies and notes form an integral part of these financial statements.



St. Helens Rugby Football Club Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1996

1 Turnover

Turnover is attributable to the following classes of continuing business:

	1996 £	1995 £
Gate receipts and programme sales	1,393,108	775,586
Television fees	866,750	111,625
Sponsorship and advertising	567,122	237,147
Suite hire and executive promotions	71,365	31,316
Merchandising and other	462,384	129,626
Lottery donations	45,641	58,690
Rent	37,267	19,504
	<u>3,443,637</u>	<u>1,363,494</u>
Note: Gross profit on shop sales		
Sales	398,658	96,437
Cost of sales	300,394	75,711
	<u>98,264</u>	<u>20,726</u>

2 Direct and other administrative costs

	1996 £	1995 £
Staff costs (note 5)	2,484,413	1,068,317
Depreciation	29,197	11,725
Operating leases	3,196	3,196
Hire of plant and machinery	13,775	9,876
Audit fees	5,000	3,600
Surplus on disposal of fixed assets	(300)	(234)
Other operating charges	955,463	417,637
	<u>3,490,744</u>	<u>1,514,117</u>



St. Helens Rugby Football Club Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1996

3	Net interest	1996	1995
		£	£
	On bank loans and overdrafts	72,226	34,358
	Finance Charges in respect of finance leases	3,108	1,561
		<u>75,334</u>	<u>35,919</u>
	Other interest receivable and similar income	<u>190</u>	<u>150</u>
		<u>75,144</u>	<u>35,769</u>
4	Net transfer fees	1996	1995
		£	£
	Transfer fees receivable	621,850	132,120
	Transfer fees payable	(719,050)	(188,550)
		<u>(97,200)</u>	<u>(56,430)</u>
5	Employees	1996	1995
	Staff costs during the period were as follows:-	£	£
	Players wages	1,694,314	815,648
	Other staff	520,830	172,148
	Social security costs	252,651	80,521
	Pension costs	16,618	-
		<u>2,484,413</u>	<u>1,068,317</u>
		1996	1995
		Number	Number
	Playing staff	60	62
	Other staff	27	26
		<u>87</u>	<u>88</u>

The directors did not receive any remuneration in either the current or previous period.



St. Helens Rugby Football Club Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1996

6 Tax on loss on ordinary activities

Unrelieved tax losses of approximately £1,400,000 remain available to offset against future taxable trading profits.

7 Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 June 1995	1,342,698	132,747	17,851	1,493,296
Additions	91,360	68,917	-	160,277
Deficit on revaluation	(118,794)	-	-	(118,794)
Disposals	-	(300)	-	(300)
At 31 October 1996	<u>1,315,264</u>	<u>201,364</u>	<u>17,851</u>	<u>1,534,479</u>
Depreciation				
At 1 June 1995	-	59,432	7,105	66,537
Provided in the period	-	25,671	3,526	29,197
Eliminated on disposals	-	(300)	-	(300)
At 31 October 1996	<u>-</u>	<u>84,803</u>	<u>10,631</u>	<u>95,434</u>
Net book amount at 31 October 1996	<u>1,315,264</u>	<u>116,561</u>	<u>7,220</u>	<u>1,439,045</u>
Net book amount at 31 May 1995	<u>1,342,698</u>	<u>73,315</u>	<u>10,746</u>	<u>1,426,759</u>

The figures stated above include assets held under finance leases as follows:

	Fixtures and fittings £	Motor vehicles £
Net book amount at 31 October 1996	<u>38,586</u>	<u>4,937</u>
Net book amount at 31 May 1995	<u>16,650</u>	<u>7,348</u>
Depreciation provided in the period	<u>2,756</u>	<u>2,411</u>



St. Helens Rugby Football Club Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1996

7 Tangible fixed assets (continued)

The figures stated above for the cost or valuation include a valuation as follows:

	Land and buildings	
	1996	1995
	£	£
At cost	535,143	443,783
At valuation:		
1996	(118,794)	-
1995	898,915	898,915
	<u>1,315,264</u>	<u>1,342,698</u>

On 23 January 1996, the land and buildings were revalued by Messrs. Edward Symmons and Partners (FRICS). The basis of the valuation used was open market value, on an existing use basis. The deficit arising has been transferred to revaluation reserve.

No provision has been made in the deferred taxation account for the estimated corporation tax that would be payable on disposal at this valuation because, in the opinion of the directors, the land and buildings are unlikely to be disposed of in the foreseeable future.

If the land and buildings had not been revalued, they would have been included on the historical cost basis at the following amounts:

	Land and buildings
	£
Cost	535,143
Accumulated depreciation	26,183
Net book amount at 31 October 1996	<u>508,960</u>
Net book amount at 31 May 1995	<u>417,600</u>



St. Helens Rugby Football Club Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1996

8 Fixed asset investments

Total fixed asset investments comprise:-

	1996 £	1995 £
Unlisted investments	26	26

9 Stocks

	1996 £	1995 £
Goods for resale	18,124	39,213

10 Debtors

	1996 £	1995 £
Trade debtors	152,665	5,896
Other debtors	11,204	-
Prepayments	18,254	-
	<u>182,123</u>	<u>5,896</u>

Included in the above is the following amount which is due after more than one year.

	1996 £	1995 £
Trade debtors	33,333	-

11 Creditors: amounts falling due within one year

	1996 £	1995 £
Bank loans and overdrafts	651,159	611,183
Trade creditors	100,769	93,954
Social security and other taxes	96,817	176,921
Loans from the Rugby Football League	1,752	2,482
Other loan	-	5,000
Accruals and deferred income	461,979	23,399
Amounts due under finance leases	10,871	12,532
	<u>1,323,347</u>	<u>925,471</u>

The bank overdraft is secured by a legal mortgage over the freehold land and buildings and by a fixed and floating charge over all the assets of the company.



St. Helens Rugby Football Club Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1996

12 Creditors: amounts falling due after more than one year

	1996 £	1995 £
Loans from the Rugby Football League	1,016	2,768
Other creditors	74,000	9,500
Amounts due under finance leases	10,059	5,757
	<u>85,075</u>	<u>18,025</u>

13 Borrowings

Bank loans and overdrafts	651,159	611,183
Loans from the Rugby Football League	2,768	5,250
Other loan	-	5,000
Other creditors	74,000	9,500
Amounts due under finance leases	20,930	18,289
	<u>748,857</u>	<u>649,222</u>

Borrowings are repayable as follows:-

	1996 £	1995 £
Within one year		
Bank and other borrowings	652,911	618,665
Finance leases	10,871	12,532
After one and within two years		
Bank and other borrowings	65,278	1,752
Finance leases	5,918	4,865
After two and within five years		
Bank and other borrowings	9,738	10,516
Finance leases	4,141	892
	<u>748,857</u>	<u>649,222</u>



St. Helens Rugby Football Club Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1996

14 Share capital

Authorised, allotted, called up and fully paid
14,000 ordinary shares of 50p each

1996 and 1995
£

7,000

15 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 June 1995	909,400	(346,119)
Loss for the period	-	(219,451)
Deficit on revaluation of assets	(118,794)	-
At 31 October 1996	<u>790,606</u>	<u>(565,570)</u>

The balance on the revaluation reserve may not be distributed under Section 263 of the Companies Act 1985.

16 Reconciliation of movements in shareholders' funds

	1996 £	1995 £
Loss for the financial period	(219,451)	(242,822)
Movement on revaluation reserve	(118,794)	-
Net decrease in shareholders' funds	(338,245)	(242,822)
Shareholders' funds at 1 June 1995	570,281	813,103
Shareholders' funds at 31 October 1996	<u>232,036</u>	<u>570,281</u>



St. Helens Rugby Football Club Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1996

17 Net cash inflow / (outflow) from operating activities

	1996 £	1995 £
Operating loss	(144,307)	(207,053)
Depreciation	29,197	11,725
Profit on sale of tangible fixed assets	(300)	(234)
Decrease/(increase) in stock	21,089	(18,155)
(Increase)/decrease in debtors	(176,227)	93,005
Increase in creditors	365,291	77,617
Net cash inflow/(outflow) from operating activities	94,743	(43,095)

18 Analysis of changes in financing

	Bank loan		RFL loans		Other loans		Amounts due under finance leases	
	1996 £	1995 £	1996 £	1995 £	1996 £	1995 £	1996 £	1995 £
At 1 June 1995	85,000	146,403	5,250	7,002	14,500	19,500	18,289	6,975
Net cash inflow/ (outflow) from financing	(85,000)	(61,403)	(2,482)	(1,752)	59,500	(5,000)	2,641	11,314
At 31 October 1996	-	85,000	2,768	5,250	74,000	14,500	20,930	18,289

19 Analysis of changes in cash and cash equivalents

	1996 £	1995 £
At 1 June 1995	(484,300)	(302,108)
Net cash outflow	(165,719)	(182,192)
At 31 October 1996	(650,019)	(484,300)



St. Helens Rugby Football Club Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1996

20 Analysis of cash and cash equivalents

Cash and cash equivalents comprise:

	1996 £	1995 £	1994 £	Change in 1996 £	Change in 1995 £
Cash at bank and in hand	1,140	41,883	60,131	(40,743)	(18,248)
Bank overdraft	(651,159)	(526,183)	(362,239)	(124,976)	(163,944)
	<u>(650,019)</u>	<u>(484,300)</u>	<u>(302,108)</u>	<u>(165,719)</u>	<u>(182,192)</u>

21 Capital commitments

The company had no capital commitments at 31 October 1996 or 31 May 1995.

22 Contingent liabilities

There were no contingent liabilities at 31 October 1996 or 31 May 1995.

23 Pensions

Defined contribution scheme

The company operates a defined contribution pension scheme. The assets of the scheme are administered by trustees in a fund independent from those of the company.

24 Leasing commitments

The company has entered into commitments in respect of finance leases commencing after the balance sheet date amounting to £15,919 (1995: Nil).

Operating lease payments amounting to £2,371 (1995: £3,196) are due within one year. The leases to which these amounts relate expire as follows:-

	1996 Land and buildings £	1996 Other £	1995 Land and buildings £	1995 Other £
In one year or less	-	275	-	-
Between one and five years	-	996	-	2,096
In five years or more	1,100	-	1,100	-
	<u>1,100</u>	<u>1,271</u>	<u>1,100</u>	<u>2,096</u>



NOTICE OF ANNUAL GENERAL MEETING

Registered Office:
Dunriding Lane,
St. Helens,
Merseyside,
WA10 4AD.

11th February 1997

NOTICE IS HEREBY GIVEN that the 59th Annual General Meeting of the Company will be held in the Banqueting Room, Dunriding Lane, St Helens on 10th March 1997 at 7.15pm.

By order of the Board,

G. SUTCLIFFE,
Secretary.

A handwritten signature in dark ink, appearing to read 'G. Sutcliffe', is written over the printed name and title of the Secretary.

AGENDA

1. Minutes of the last Meeting held on 30th October 1995.
2. Directors Report and Accounts.
3. Election of Directors.
4. Election of Auditor at a fee to be agreed by the Directors.
5. Any other Ordinary Business of the Company.

This Notice must be produced at the Meeting, otherwise admittance may be refused.

Any Shareholder unable to attend may appoint in writing a proxy who need not necessarily be a Shareholder.



St. Helens Rugby Football Club Limited

DUNRIDING LANE, ST. HELENS, MERSEYSIDE, WA10 4AD.

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