Company Registration No. 2487393

Deloitte & Touche

Deloitte Touche Tohmatsu

W. W. (1990) LIMITED

Report and Financial Statements

31 May 1998

Deloitte & Touche
Colmore Gate
2 Colmore Row
Birmingham
B3 2BN

Deloitte & Touche

Deloitte Touche Tohmatsu

REPORT AND FINANCIAL STATEMENTS 1998

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REPORT AND FINANCIAL STATEMENTS 1998

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Sir Jack Hayward OBE (Chairman)
D J Harrington CBE (Deputy Chairman)
R A Hayward
J G Hemingway
V C M Lister
J P Richards

SECRETARY

R I Skirrow

REGISTERED OFFICE

Molineux Stadium
Waterloo Road
Wolverhampton
WV1 4QR

AUDITORS

Deloitte & Touche
Chartered Accountants
Colmore Gate
2 Colmore Row
Birmingham
B3 2BN

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DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 May 1998.

ACTIVITIES

The principal activity of the group during the year was the provision of football and other related activities

REVIEW OF DEVELOPMENTS

During the year the company maintained an interest in the share capital of Wolverhampton Wanderers Properties Limited, Wolverhampton Wanderers FC (1986) Limited and Wolvesnet Limited. The primary aim of the group remains that of achieving Premiership status.

RESULTS AND DIVIDENDS

The directors do not recommend the payment of a dividend. The loss of the group for the year after taxation of £1,817,731 (1997 - £6,438,465) has been transferred to reserves.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their beneficial and family interests in the shares of the company were:

		Ordinary shares of £1 each	
		1998 or date of appointment	1997 or date of appointment
Sir Jack Hayward OBE	(appointed 2 September 1997)	-	-
D J Harrington CBE	(appointed 11 March 1998)	-	-
J M Hayward	(resigned 11 March 1998)	-	-
R A Hayward	(appointed 2 September 1997)	-	-
J G Hemingway	(appointed 2 September 1997)	-	-
V C M Lister	(appointed 11 March 1998)	-	-
J P Richards	(appointed 11 March 1998)	-	-
J N Stones	(resigned 15 September 1997)	-	-

EMPLOYEE INVOLVEMENT

The group has established structures and procedures for consultation, communication and negotiation with its employees. Importance is placed on this aspect of the business and all managers have a responsibility to this end.

EMPLOYMENT OF DISABLED PERSONS

Suitable procedures are in operation to support the group's policy that disabled persons (whether registered or not) shall be considered for employment and subsequent training, career development and promotion on the basis of their aptitudes and abilities.

YEAR 2000

The "millennium bug" or "Year 2000 issue" refers to potential problems in the processing of data or operation of electronic equipment affected by the transition from 1999 to 2000.

The directors fully recognise that there are other potential risks associated with this issue and are taking all reasonable steps to ensure that the company is prepared for this transition. The costs associated with the transition are not considered significant.

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DIRECTORS' REPORT

AUDITORS

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

R I Skirrow

Secretary

Deloitte & Touche

Deloitte Touche Tohmatsu

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 the group as at the end of the financial year and of the profit or loss of the group 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INVESTOR IN PEOPLE

AUDITORS' REPORT TO THE MEMBERS OF

W. W. (1990) LIMITED

We have audited the financial statements on pages 6 to 19 which have been prepared under the accounting policies set out on pages 12 and 13.

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 circumstances of the company and the group, 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 affairs of the company and the group as at 31 May 1998 and of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants and Registered Auditors

30 March 1999

Deloitte & Touche

Deloitte Touche Tohmatsu

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 31 May 1998

	Note	Group 1998 £	Group 1997 £
TURNOVER	1	12,923,362	11,441,019
Operating expenses		(14,963,135)	(14,029,622)
OPERATING LOSS BEING LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST AND TRANSFER FEES	4	(2,039,773)	(2,588,603)
Net transfer fees receivable / (payable)		219,608	(3,528,806)
LOSS AFTER TRANSFER FEES		(1,820,165)	(6,117,409)
Interest receivable and other similar income	5	152,682	101,410
Interest payable	6	(150,248)	(422,466)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,817,731)	(6,438,465)
Taxation	7	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION RETAINED FOR THE YEAR	17	(1,817,731)	(6,438,465)

All activities derive from continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Year ended 31 May 1998

	Group 1998 £	Group 1997 £
Loss for the financial year	(1,817,731)	(6,438,465)
Gain arising on revaluation of fixed assets	-	7,007,394
Total recognised gains and losses for the year	(1,817,731)	568,929

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CONSOLIDATED BALANCE SHEET
31 May 1998

	Note	1998 £	1997 £
FIXED ASSETS			
Tangible assets	8	23,950,299	24,603,008
Investments	9	2,300	1,050
		23,952,599	24,604,058
CURRENT ASSETS			
Stocks	10	469,750	451,371
Debtors	11	1,541,131	499,421
Cash at bank and in hand		511,320	29,159
		2,522,201	979,951
CREDITORS: amounts falling due within one year	12	(37,964,590)	(34,981,095)
NET CURRENT LIABILITIES		(35,442,389)	(34,001,144)
TOTAL ASSETS LESS CURRENT LIABILITIES		(11,489,790)	(9,397,086)
CREDITORS: amounts falling due after more than one year	13	(2,233,022)	(2,507,995)
		(13,722,812)	(11,905,081)
CAPITAL AND RESERVES			
Called up share capital	15	10,000,000	10,000,000
Revaluation reserve	16	6,896,401	7,007,394
Profit and loss account	16	(30,619,213)	(28,912,475)
EQUITY SHAREHOLDERS' DEFICIT	17	(13,722,812)	(11,905,081)

These financial statements were approved by the Board of Directors on

Signed on behalf of the Board of Directors

J P Richards 30.3.99

J P Richards

Director

Deloitte & Touche

Deloitte Touche Tohmatsu

COMPANY BALANCE SHEET
31 May 1998

	Note	1998 £	1997 £
FIXED ASSETS			
Investments	9	14,659,999	14,659,999
CURRENT ASSETS			
Debtors	11	270	19,291,174
CREDITORS: amounts falling due within one year	12	(34,617,208)	(24,314,207)
NET CURRENT LIABILITIES		(34,616,938)	(5,023,033)
TOTAL ASSETS LESS CURRENT LIABILITIES		(19,956,939)	9,636,966
CAPITAL AND RESERVES			
Called up share capital	15	10,000,000	10,000,000
Profit and loss account	16	(29,956,939)	(363,034)
EQUITY SHAREHOLDERS' FUNDS		(19,956,939)	9,636,966

These financial statements were approved by the Board of Directors on

Signed on behalf of the Board of Directors

J P Richards 30.3.99.

J P Richards

Director

Deloitte & Touche

Deloitte Touche Tohmatsu

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 May 1998

	Note	1998 £	1997 £
Cash flow from operating activities	(i)	7,413,197	3,240,200
Returns on investments and servicing of finance	(ii)	2,434	(321,056)
Capital expenditure and financial investment	(ii)	(147,467)	(1,310,609)
Cash outflow before use of liquid resources and financing		7,268,164	1,608,535
Financing	(ii)	(38,730)	-
Increase in cash in the year		7,229,434	1,608,535

Reconciliation of net cash flow to movement in net funds/(debt)	(iii)	1998 £	1997 £
Increase in cash in the year		7,229,434	1,608,535
Cash inflow from increase in debt and lease financing		38,730	-
Change in net debt resulting from cash flows		7,268,164	1,608,535
New finance leases		(22,582)	(140,100)
Movement in net debt in the year		7,245,582	1,468,435
Net (debt) at 1 June		(6,858,214)	(8,326,649)
Net funds/(debt) at 31 May		387,368	(6,858,214)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 May 1998

(i) RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES AFTER TRANSFER FEES

	1998 £	1997 £
Operating loss	(2,039,773)	(2,588,603)
Depreciation	792,113	618,372
Loss on sale of tangible fixed assets	29,395	-
Amortisation of deferred grant income	(56,555)	(56,557)
Increase in stocks	(18,379)	(324,109)
(Increase)/ decrease in debtors	(1,041,710)	187,164
Increase in loans due from ultimate parent company	10,300,000	9,894,200
Decrease in creditors	(771,502)	(961,461)
Net cash inflow from operating activities before transfer fees	7,193,589	6,769,006
Net transfers receivable/(payable)	219,608	(3,528,806)
Net cash inflow from operating activities after transfer fees	7,413,197	3,240,200

(ii) ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	1998 £	1997 £
Returns on investments and servicing of finance		
Interest receivable and other similar income	152,682	101,410
Interest paid	(129,418)	(422,466)
Interest element of finance lease rental payments	(20,830)	-
Net cash outflow for returns on investments and servicing of finance	2,434	(321,056)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(323,090)	(1,309,559)
Receipts from sale of tangible fixed assets	176,873	-
Purchase of fixed asset investment	(1,250)	(1,050)
Net cash outflow for capital expenditure and financial investment	(147,467)	(1,310,609)
Net cash inflow from financing		
Capital element of finance lease rental payments	(38,730)	-

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NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 May 1998

(iii) ANALYSIS OF NET FUNDS/(DEBT)

	At 1 June 1997 £	Cash flow £	Other non-cash changes £	At 31 May 1998 £
Bank overdraft	(6,747,273)	6,747,273	-	-
Cash in hand and at bank	29,159	482,161	-	511,320
	(6,718,114)	7,229,434	-	511,320
Finance leases	(140,100)	38,730	(22,582)	(123,952)
	(6,858,214)	7,268,164	(22,582)	387,368

(iv) MAJOR NON-CASH TRANSACTIONS

During the year the group entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of £22,582 (1997 - £140,100).

NOTES TO THE ACCOUNTS
Year ended 31 May 1998

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of the stadium redevelopment.

Basis of consolidation

The group accounts incorporate the accounts of the company and its subsidiaries. The companies make up their accounts to the same date.

Turnover

Turnover represents match receipts and other income associated with the principal activity of running a professional football club and excludes value added tax (all income generated in the UK).

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Stadium redevelopment	2% on straight line basis
Plant and equipment	10.0% on a straight line basis
Motor vehicles	20.0% on a straight line basis
Fixtures and fittings	12.5% on a straight line basis

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability methods in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Deferred grant income

Grants received in respect of safety work and ground improvements are credited to deferred grant income and are released to the profit and loss account over the anticipated useful life of the assets to which they relate.

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NOTES TO THE ACCOUNTS
Year ended 31 May 1998

1. ACCOUNTING POLICIES (continued)

Pensions

Defined contribution arrangements are made to eligible employees of the company. The pension cost charged in the year represents contributions payable by the company.

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

2. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated accounts have been prepared for the year ended 31 May 1998 although not required under the Companies Act 1985. As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these accounts. The parent company's loss (see note 16) for the financial year amounted to £29,593,905 (1997 - £6,229).

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	1998	1997
	£	£
Directors' emoluments		
Directors' renumeration	53,121	-
Other pension costs	6,600	-
	No	No
Average number of persons employed		
Administration staff	154	129
Playing staff	50	49
	204	178
	£	£
Staff costs during the year (including directors)		
Wages and salaries	7,255,711	6,506,446
Social security costs	641,702	608,592
Pension costs	24,573	76,243
	7,921,986	7,191,281

NOTES TO THE ACCOUNTS
Year ended 31 May 1998

4. OPERATING LOSS

Operating loss is stated after charging/(crediting):	1998 £	1997 £
Auditors' remuneration		
Audit fees	25,500	25,500
Non-audit fees	61,421	104,175
Operating leases		
Hire of plant and machinery	25,609	22,195
Hire of assets other than plant and machinery	94,393	90,484
Loss on sale of assets	29,395	-
Depreciation of tangible fixed assets	792,113	618,372
Amortisation of grant income	(56,557)	(56,557)

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	1998 £	1997 £
Rental income	100,000	100,000
Bank interest	52,628	1,410
	152,628	101,410

6. INTEREST PAYABLE AND SIMILAR CHARGES

	1998 £	1997 £
On bank loans and overdrafts repayable within five years	129,418	422,466
On finance leases	20,830	-
	150,248	422,466

7. TAX ON LOSS ON ORDINARY ACTIVITIES

The group has no liability for taxation. The tax losses carried forward amount to £28 million (1997 - £26 million).

NOTES TO THE ACCOUNTS
Year ended 31 May 1998

8. TANGIBLE FIXED ASSETS

The Group	Stadium development	Freehold property	Plant equipment and motor vehicles	Fixtures and fittings	Total
	£	£	£	£	£
Cost or valuation					
At 1 June 1997	22,900,000	212,383	1,123,112	1,513,981	25,749,476
Additions	54,402	-	94,526	211,744	360,672
Disposals	-	(212,383)	(29,100)	-	(241,483)
At 31 May 1998	22,954,402	-	1,188,538	1,725,725	25,868,665
Accumulated depreciation					
At 1 June 1997	-	-	416,028	730,440	1,146,468
Charge for the year	458,629	-	129,581	203,903	792,113
Disposals	-	-	(20,215)	-	(20,215)
At 31 May 1998	458,629	-	525,394	934,343	1,918,366
Net book value					
At 31 May 1998	22,495,773	-	663,144	791,382	23,950,299
At 31 May 1997	22,900,000	212,383	707,084	783,541	24,603,008

The net book value of fixed assets included £114,899 (1997 - £140,100) in respect of assets held under finance leases and hire purchase contracts.

The stadium development was valued at £22.9 million, on a depreciated replacement cost basis, by Dunlop Heywood & Co., Chartered Surveyors at 31 May 1997, and this value has been incorporated in these accounts, and the directors believe that the carrying value reflects the current valuation as at 31 May 1998. At 31 May 1998 the comparable amount determined according to the historical cost convention is £15,599,372 (Cost of £17,404,732 less accumulated depreciation of £1,805,360).

All other tangible fixed assets are stated at historical cost.

9. INVESTMENTS HELD AS FIXED ASSETS

(a) The Group

	£
Cost and net book value	
At 1 June 1997	1,050
Additions	1,250
At 31 May 1998	2,300

Wolverhampton Wanderers FC (1986) Limited own a 1% share in 'The Wolf', a radio station that broadcasts in the Wolverhampton area.

NOTES TO THE ACCOUNTS
Year ended 31 May 1998

9. INVESTMENTS HELD AS FIXED ASSETS (continued)

(b) The Company

	Shares in subsidiaries £
Cost and net book value	
At 1 June 1997 and 31 May 1998	14,659,999

The company wholly owns the following subsidiaries, all of which are incorporated in England.

Subsidiary undertakings	Activity
Wolverhampton Wanderers F.C. (1986) Limited	Football Club
Wolverhampton Wanderers Properties Limited	Property company
Wolvesnet Limited	Internet services

10. STOCKS

	Group 1998 £	Group 1997 £	Company 1998 £	Company 1997 £
Finished goods	469,750	451,371	-	-

11. DEBTORS

	Group 1998 £	Group 1997 £	Company 1998 £	Company 1997 £
Trade debtors	189,648	133,781	-	-
Amounts owed by fellow subsidiary	-	-	-	19,290,904
Other debtors	783,133	70,886	270	270
Prepayments and accrued income	568,350	294,754	-	-
	1,541,131	499,421	270	19,291,174

By an agreement dated 24 September 1991, the company has agreed to make a loan facility available to its subsidiary undertaking, Wolverhampton Wanderers F.C. (1986) Limited. The amount drawn down on that at 31 May 1998 was £23,850,802 (1997 - £13,553,302). By a further agreement dated 24 February 1992, the company has agreed to make available a loan facility up to a maximum of £11,000,000 to its subsidiary undertaking, Wolverhampton Wanderers Properties Limited. The amount drawn down on that at 31 May 1998 was £5,737,603 (1997 - £5,737,603). Both loans are unsecured and repayable on thirty days notice. They are currently interest free but the company has the right, at thirty days notice, to charge interest at a rate not exceeding 0.5% above the prevailing London inter-bank market rate of interest. The loans have been fully provided against at the year-end in the company's accounts.

NOTES TO THE ACCOUNTS
Year ended 31 May 1998

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Bank overdraft	-	6,747,273	-	-
Obligations under finance leases (note 14)	33,714	24,865	-	-
Trade creditors	711,014	993,796	-	-
Amounts owed to ultimate parent undertakings	34,756,957	24,456,957	34,611,553	24,311,553
Other taxation and social security	183,665	350,170	-	-
Other creditors	1,152,360	1,332,884	-	-
Accruals and deferred income	1,070,324	1,018,594	5,655	2,654
Deferred grant income	56,556	56,556	-	-
	37,964,590	34,981,095	34,617,208	24,314,207

The loan from the parent undertaking is unsecured and repayable on thirty days notice, although the directors of the parent undertaking have indicated that whilst it maintains a controlling interest in the company it will not discontinue financial support. It is currently interest free but the company has a right, at thirty days notice, to charge interest at a rate not exceeding 0.5% above the prevailing London inter-bank market rate of interest.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Mortgage loan	-	193,421	-	-
Deferred grant income	2,142,784	2,199,339	-	-
Obligations under finance leases between two and five years (note 14)	90,238	115,235	-	-
	2,233,022	2,507,995	-	-

The mortgage loan was redeemed in May 1998 on the sale of a property owned by the club.

14. BORROWINGS

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Bank overdraft - due within one year	-	6,747,273	-	-
Obligations under finance leases:				
Due within one year	33,714	24,865	-	-
Due within one to two years	32,438	24,077	-	-
Due within two to five years	57,800	91,158	-	-
	123,952	6,887,373	-	-

NOTES TO THE ACCOUNTS
Year ended 31 May 1998

15. CALLED UP SHARE CAPITAL

	1998 £	1997 £
Authorised, called up, allotted and fully paid		
10,000,000 Ordinary shares of £1 each	10,000,000	10,000,000

16. RESERVES

Group	Revaluation reserve £	Profit and loss account £
At 1 June 1997	7,007,394	(28,912,475)
Retained loss for the year	-	(1,817,731)
Transfer between reserves	(110,993)	110,993
At 31 May 1998	6,896,401	(30,619,213)

The cumulative amount of goodwill on acquisition written off to reserves is £1,659,996.

Company	Profit and loss account £
At 1 June 1997	(363,034)
Retained loss for the year	(29,593,905)
At 31 May 1998	(29,956,939)

At the year-end, full provision has been made against amounts owed to the company by its subsidiaries (see note 11) although assurances have been given that the company will not seek repayment of these loans in the coming year. This inter-company provision has generated a loss in the parent company's accounts, which reverses on consolidation in the group's results.

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIENCY

	1998 £	1997 £
Loss for the financial year	(1,817,731)	(6,438,465)
Gain arising on revaluation of fixed assets	-	7,007,394
Net (reduction in)/addition to shareholders' funds	(1,817,731)	568,929
Opening shareholders' deficit	(11,905,081)	(12,474,010)
Closing shareholders' deficit	(13,722,812)	(11,905,081)

NOTES TO THE ACCOUNTS
Year ended 31 May 1998

18. FINANCIAL COMMITMENTS

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Capital commitments				
Contracted for but not provided	-	-	-	-

Operating lease commitments
At 31 May 1998 , the group and company had annual commitments under non-cancellable other operating leases as set out below:

	Group	
	1998	1997
	£	£
Leases which expire:		
Within two to five years	133,027	117,223

19. CONTINGENT LIABILITIES

The group had the following commitments at the balance sheet date.

Contingent appearance fees of £183,032.

Contracts had been entered into with the players whereby signing on fees are payable over the life of the contract, provided the player does not ask for a transfer in writing. The potential future commitment to pay signing on fees amounts to £1,564,528.

20. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Wend Investments Limited, a company incorporated in the Bahamas.

21. RELATED PARTY TRANSACTIONS

Mr J N Stones, a director of the company for part of the year, is a partner in the firm of Wiggin & Co., Solicitors. During the year Wiggin & Co. have issued invoices to the Group amounting to £195,945 (1997 - £145,659) of which £125,332 are unpaid.

The level of these invoices referred to, and certain charges from previous years, are disputed. For prudence full provision has been made in the accounts in the relevant years.

22. POST BALANCE SHEET EVENTS

Since the year end, the group have been involved in transfer activity resulting in a net profit of £1,858,000.