

4056708

Swansea City Football Club plc

Financial statements for the period

21 August 2000 to 31 May 2001



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Registered number : 4056708

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Swansea City Football Club plc

Directors and advisors

Directors

M F Burgess
D H Farmer
M J Lewis

Secretary and registered office

M F Burgess
The Vetch Field
Swansea
SA1 3SU

Registered Auditors

PricewaterhouseCoopers
No1 London Bridge
London
SE1 9QL

Solicitors

James Chapman & Co
76 Kings Street
Manchester M2 4NH

Nabarro Nathanson
Lacon House
Theobald's Road
London WC1X 8RW

Bankers

Royal Bank of Scotland
13-14 Walter Road
Swansea
SA1 5NG

Swansea City Football Club plc

Directors' report for the period 21 August 2000 to 31 May 2001

The directors present their report and the audited financial statements of the company for the period from incorporation on 21 August 2000 to 31 May 2001.

Principal activity

The sole activity of Swansea City Football Club plc is as a holding company for Swansea City Association Football Club Limited, a company registered in England & Wales.

Review of business and future developments

The company was formed during the period. A share for share exchange took place with The Ninth Floor PLC and the independent shareholders of Swansea City Association Football Club Limited who together converted their shares in Swansea City Association Football Club Limited to shares in Swansea City Football Club plc. At 31st May 2001 The Ninth Floor PLC owned 99.15% of Swansea City Football Club plc.

Following the year end, on 11th July 2001 The Ninth Floor PLC sold its entire holding in Swansea City Football Club plc to Mr MJ Lewis, one of the Directors of Swansea City Football Club plc.

The company did not trade during the period.

Directors

The directors of Swansea City Football Club plc at 31 May 2001 and who held office during the period, unless otherwise stated, were as follows :-

M F Burgess	(appointed 21 st August 2000)
D H Farmer	(appointed 4 th October 2000)
M J Lewis	(appointed 21 st August 2000)
M J Creedon	(appointed 4 th October 2000, resigned 11 th July 2001)
N J McClure	(appointed 21 st August 2000, resigned 11 th July 2001)

Directors' interests

At the balance sheet date no director of the company held any interest in the shares of Swansea City Football Club plc.

Mr. N J McClure is a director of The Ninth Floor PLC and his interest in the shares of that company is disclosed in the financial statements of that company.

Apart from these interests, no director at the balance sheet date had any beneficial interests in the shares of any other group company. Mr MJ Lewis obtained an interest on 11th July 2001 as noted above.

Creditor payment policy

Whilst the company does not follow a formal code, the companys' policy concerning the payment of the majority of its trade creditors is to:

- a) Settle the terms of payment with those suppliers when agreeing the terms of each transaction;
- b) Ensure that those suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- c) Pay in accordance with its contractual or other legal obligations.

As the company did not have any creditors during the period ended 31 May 2001, the average creditors day calculation has not been provided.

By order of the Board



M F Burgess
Company Secretary

Swansea City Football Club plc

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the period ended 31 May 2001. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

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

By order of the Board

A handwritten signature in black ink, appearing to be 'M F Burgess', written over a horizontal line.

**M F Burgess
Company Secretary**

**Report of the auditors to the members of
Swansea City Football Club plc**

We have audited the financial statements on pages 8 to 12, which have been prepared under the historical cost convention and the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 6, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Audit Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper records, if we have not received all the information and explanations for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

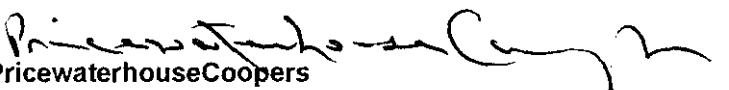
Basis of Audit Opinion

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 material 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 May 2001 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London 2 August 2001.

Swansea City Football Club plc

Profit and Loss Account for the period 21 August 2000 to 31 May 2001

	Notes	£ Period ended 31 st May 2001
Provision for diminution in value of investment	5	<u>(470,000)</u>
Loss on ordinary activities before taxation	2	(470,000)
Taxation		-
Retained loss for the period	7	<u>(470,000)</u>

The results included within the profit and loss account above are derived from continuing operations.

The company had no recognised gains or losses other than those included in the Profit and Loss Account above and therefore no Statement of Recognised Gains and Losses has been prepared.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the period stated above and their historical cost equivalents.

Swansea City Football Club plc

Balance Sheet
As at 31 May 2001

	Notes	£	£
Fixed Assets			
Investments			
Cost of investment in Swansea City AFC Limited	5	470,000	
Less: provision for diminution in value		<u>(470,000)</u>	<u>-</u>
Net Assets			<u>-</u>
 Capital and reserves			
Called up share capital	6		470,000
Profit and Loss account	7		<u>(470,000)</u>
Equity shareholders funds	8		<u>-</u>

The financial statements were approved by the Board of Directors on 31 July 2001 and were signed on its behalf by



Martin Burgess, Director

Swansea City Football Club plc
For the period 21 August 2000 to 31 May 2001

Notes to the financial statements

1) Accounting policies

The accounting policies have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of Accounting

The financial statements have been prepared under the historical cost convention.

Basis of preparation

The company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as both it and its subsidiary undertaking are included in the full consolidation in the financial statements of its parent, The Ninth Floor PLC, a company registered in England and Wales.

Cash flow statement and related party disclosures

The company is exempt from the requirement of Financial Reporting Standard No 1 (revised 1996) to prepare a cash flow statement as it was a subsidiary of The Ninth Floor PLC throughout the period to 31 May 2001 and whose accounts are publicly available.

Investments

Investments are stated at cost less provision for permanent diminution in value.

Deferred taxation

Provision is made for deferred taxation using the liability method on all material timing differences to the extent that it is probable that a liability or asset may crystallise.

Related party transactions

The company is exempt under the provisions of FRS8 from disclosing related party transactions with group companies whose voting rights are over 90% controlled directly or indirectly by the parent company.

2) Loss on ordinary activities before taxation

2001
£

Loss on ordinary activities before taxation is stated after charging:

Auditors remuneration: audit services

-

The audit fee was borne by the parent company.

All losses were incurred in the United Kingdom.

3) Directors emoluments

No director received any remuneration in respect of their services to the company during the period.

Swansea City Football Club plc

For the period 21 August 2000 to 31 May 2001

4) Employee information

The company did not have any employees during the period.

5) Investments

The investment of £470,000 represents the cost of a 100% shareholding in Swansea City Association Football Club Limited, a company registered in England and Wales, whose principal activity is professional association football. Full provision has been made against the cost of this investment.

As at 31 May 2001, the aggregate capital and reserves of that company was a deficit of approximately £940,202 and its loss for the year then ended was £1,012,127.

6) Share Capital

	<u>Authorised number</u>	<u>Issued number</u>
Ordinary shares of 1p each	1,000,000,000	46,999,890
	<u>Authorised</u>	<u>Issued</u>
	<u>£</u>	<u>£</u>
Ordinary shares of 1p each	10,000,000	470,000

The Company was incorporated on 21st August 2000. The authorised share capital on incorporation consisted of 1,000,000,000 shares of 1p each. 46,999,890 shares of 1p each were issued at par during the period in exchange for a 100% shareholding in Swansea City Association Football Club Limited.

7) Profit and Loss Account

	2001
	£
At 21 August 2000	-
Retained loss for the period	<u>(470,000)</u>
At 31 May 2001	<u>(470,000)</u>

8) Reconciliation of movement on shareholders funds

	2001
	£
Loss for the period	(470,000)
Proceeds from the issue of share capital	<u>470,000</u>
Net addition to shareholders funds	-
Shareholders funds at 21 August 2000	-
Shareholders funds at 31 May 2001	<u>-</u>

Swansea City Football Club plc
For the period 21 August 2000 to 31 May 2001

9) Ultimate and immediate parent company

At 31 May 2001 the directors regarded The Ninth Floor PLC as the ultimate parent company and the ultimate controlling party. Copies of the ultimate parents' consolidated financial statements may be obtained from the Secretary, 9th Floor, Winchester House, 259 Old Marylebone Road, London NW1 5RA.

10) Post balance sheet event

On 11 July 2001 The Ninth Floor PLC sold its entire holding in the company to Mr MJ Lewis, a director.

11) Comparative figures

As this is the first period for which the company has prepared financial statements no comparative figures are presented.