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**THE FALKIRK FOOTBALL AND
ATHLETIC CLUB LIMITED**

**CONSOLIDATED FINANCIAL
STATEMENTS**

YEAR ENDED 31 MAY 1999

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 1999

Company Registration Number: 5854

Registered Office: Brockville Park
Falkirk
FK1 5AX

Directors: Douglas McIntyre
Colin McLauchlan
Colin Liddell
Ann Joyce
William Moffat
Martin Ritchie
Campbell Christie

Secretary: BLP Secretaries Limited
130 St Vincent Street
Glasgow
G2

Bankers: Clydesdale Bank PLC
Ochil House
Stirling
FK7 7XE

Solicitors: Semple Fraser W.S.
130 St Vincent Street
Glasgow
G2 5HF

Auditors: Grant Thornton
Registered Auditors
Chartered Accountants
Glasgow

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 1999

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THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

CHAIRMAN'S STATEMENT

Last year's accounts reported that the Company had been taken out of provisional liquidation through new investment by a local consortium. A new Board was appointed in June 1998. This Board has had the task of tidying up the affairs of the Company, paying long overdue creditors and setting up new business practices. This has been a long hard task and I can now report that the Company has sound management and financial controls in place.

As part of the new investment, we restructured our finances creating a new wholly owned subsidiary company called Westfield Stadium Limited. Falkirk Football Club sold Brockville Park to Westfield Stadium Limited and the loan of approximately £1.4 million from Stadium City Limited was transferred to Westfield Stadium Limited. These transactions were made for a number of technical accounting reasons and have no material effect on the overall business. For the purpose of reviewing our business, it is important that we look at the consolidation of both Falkirk Football Club and Westfield Stadium accounts.

I am pleased to report that last year we were very close to a break-even position with a pre-tax loss of only £5,601. This was achieved due to some exceptional income. We received a payment of £250,000 from the Scottish Premier League (as compensation for not having the chance to gain a place in the SPL), we earned approximately £250,000 from gate and television receipts from our Scottish Cup Quarter Final tie against Rangers at Ibrox, and we made approximately £170,000 as the net proceeds from the transfer of Kevin James to Hearts and Myles Hogarth from Hearts. Without this exceptional income we would have had losses of over £600,000.

The new Board took over the club with a view to gaining promotion to the SPL at the earliest possible date. With this objective, Alex Totten, the Team Manager, was given our full support and set a budget to retain and sign the playing staff he needed to challenge for promotion. Severe injury problems at the start of the season resulted in the club having to sign additional players, adding significantly to our cost base. The team performed well over the year, finishing second in the Scottish First Division behind Hibernian and reaching the quarter finals of the Scottish Cup where we were very unfortunate to lose by one goal to Rangers.

Despite our difficult financial circumstances, we invested in our Youth and Community Development programmes. Introducing a full-time officer to each programme has allowed us to expand these important activities and we believe this will benefit the club in the long term. It was very encouraging to see three of our young players come through the development system to first team places in 98/99.

Commercial income was doubled from £164,320 to £335,280. We appreciate the support that we are given by local businesses - particularly John R Weir, our principal sponsor, and BP, who once again supported our Junior Bairns club. Our future depends on increasing commercial income. During the year, we hired a Chief Executive, David Mitchell, who left for personal reasons in May 99. A new General Manager, Crawford Baptie, was appointed in July 99.

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

CHAIRMAN'S STATEMENT

Progress with the proposed new stadium at Westfield was disappointingly slow. Stadium City Limited and the club are working to try to have a stadium in place for the start of season 2001/2002. Until we have a new stadium, which can support our entry to the more lucrative SPL and also provide us with new sources and opportunities for revenue, we will struggle financially. It will be difficult to maintain the quality of football team we need without new sources of income. The stadium must remain therefore the highest priority task for the Board.

We are pursuing options on where we might play next year if we qualify for the Premier League. We will have to argue the case for temporary ground-sharing with the SPL board - and we will do this as soon as we are ready to do so.

We could not have got to the position we are in now without the help, support, advice and commitment of a great many people. I would particularly like to thank our staff, playing and business, and in particular Alex Totten, for their efforts. I would also thank all our fans especially those who have been active in our supporters Clubs, Back the Bairns and other fund-raising groups. I extend a special thanks to Douglas McIntyre, for his chairmanship of the Club through this period, and to the rest of the Board who have put in a tremendous amount of time and effort getting the Club into shape.

Last year was a relatively successful season in terms of football, business management and finance. The challenges facing us in 1999/2000 are immense but if we can come through these we can look forward to a very good future.

Chairman

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31 May 1999.

Principal activities

The company is principally engaged in participating in professional football as a member of the Scottish Football League.

Business Review

The loss for the year after taxation amounted to £12,393 (1998: loss £573,226). The directors do not recommend a dividend and the loss has been transferred from the reserves.

No value is attributed to the registrations of any of the playing staff in the company's balance sheet which notwithstanding the decision of the European Court of Justice in the petition of Jean-Luc Bosman are considered to be of value.

On 22 June 1998, an EGM was held which

- Increased the share capital to £502,000 divided into 1,000,500 shares of 50p each;
- Adopted new Articles of Association;
- Altered the Memorandum of Association;
- Cancelled the preference shares;
- Gave authority to issue the new share capital to the consortium; and
- Gave authority to create a wholly owned subsidiary (Westfield Stadium Limited) to own and manage Brockville Park.

As a result of issuing the new share capital to the new owners a new equity injection of £477,332 was made. The shares were issued at value of approximately 61.2p per share.

Brockville Park was transferred to Westfield Stadium. This was satisfied by the cancelling of the Loan Agreement between Stadium City Limited and Falkirk Football and Athletic Club and creating a new Loan Agreement between Stadium City Limited and Westfield Stadium Limited. The consideration paid by Westfield Stadium Limited to Falkirk Football and Athletic Club Limited was £1.4 million (being the amount of the Stadium City Limited loan) plus accrued interest. A Heads of Terms was agreed between Falkirk Football and Athletic Club Limited and Westfield Stadium Limited regarding the activities each company would undertake.

A new Board upon overtaking the management of the Club had to make certain provision against potential liabilities. Following the finalisation of outstanding liabilities with the Inland Revenue, Customs & Excise and other claimants all outstanding liabilities have been resolved which resulted in £50,000 being released back to the profit and loss account.

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Directors

The directors in office during the year are listed below.

The interests of the directors in the shares of the company were as follows:

			At 31 May 1999	At 1 June 98 or at date of appointment if later
	Appointed	Resigned		
Douglas McIntyre	20/5/98		Nil	Nil
Colin McLauchlan	1/6/98		Nil	Nil
David Brown	23/6/98	24/6/98	Nil	Nil
Edward Moffat	23/6/98	24/6/98	Nil	Nil
Ann Joyce	24/6/98		163,204	163,204
William Moffat	24/6/98		163,204	163,204
Martin Ritchie	24/6/98		163,204	163,204
Colin Liddell	24/6/98		163,204	81,602
Campbell Christie	6/8/98		Nil	Nil

Murdoch Smith Limited own 163,204 shares in the company. Douglas McIntyre is the sole owner of Murdoch Smith Limited.

Directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Fixed Assets

All movements in fixed assets are shown in note 7 to the financial statements.

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Year 2000 compliance

Many computer systems which express dates using only the last two digits of the year may malfunction due to the date change to the Year 2000. This risk to the business relates not only to the company's computer systems, but also to some degree on those of the company's customers and suppliers.

The issue is complex, and no business can guarantee that there will be no Year 2000 problems. However, the Board believes that its plans and the resources allocated are appropriate and adequate to address the issue.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

By order of the Board



DIRECTOR, FLP SECRETARIES LIMITED

Secretary

**REPORT OF THE AUDITOR TO THE MEMBERS OF
THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED**

We have audited the financial statements on pages 7 to 22 which have been prepared under the accounting policies set out on pages 7 to 8.

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 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.

Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in Note 1 of the financial statements concerning the uncertainty as to the re-scheduling of loan repayments and other financing issues. In view of this uncertainty we consider that 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 May 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
GLASGOW

3 November 1999

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention except that freehold properties are shown at their revalued amounts, and in accordance with applicable accounting standards.

The principal accounting policies of the group have remained unchanged from the previous year and are set out below.

The group financial statements consolidate those of the company and of the subsidiary undertaking (see note 9). The financial statements of the subsidiary undertaking have been prepared to 31 May 1999.

Turnover

Turnover represents the value of income received excluding value added tax and is derived entirely from activities within the United Kingdom.

Depreciation

Depreciation is calculated on the reducing balance method and aims to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land over their expected useful lives.

The rates generally applicable are:

Plant and equipment	-	25% reducing balance
Motor vehicles	-	25% reducing balance

Stock and work in progress

Stock and work in progress is stated at the lower of cost and net realisable value.

Net realisable value means estimated selling price (less trade discounts) less all further costs to completion and disposal.

Deferred tax

Deferred tax is the tax attributable to timing differences between profits or losses as computed for tax purposes and results as stated in the financial statements.

Pensions

The group operates a defined contributions pension scheme. The assets of the scheme are invested and managed independently of the finances of the company. Contributions payable are charged in the profit and loss account.

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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.

Valuation of Playing Squad

The directors have considered new accounting standards which were issued by the Accounting Standards Board and apply to these accounts, in respect of valuation of intangible assets, including players. One of the new standards requires intangible assets to be incorporated in the Balance sheet. If this was done, the value of the players included in the Balance Sheet would be £109,693. However, at the present stage of development of the Club the directors do not consider it prudent to recognise this value in the Balance Sheet at this time. The directors will reconsider this position in the future.

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 1999

	Note	1999 £	1998 £
Turnover on ordinary activities		1,513,893	1,139,146
Cost of sales		(1,106,537)	(1,019,649)
Gross profit		407,356	119,497
Other operating charges	3	(456,199)	(647,681)
Operating loss	2	(48,843)	(528,184)
Net transfer fees	7	138,500	(25,500)
Operating profit/(loss) after transfer fees		89,657	(553,684)
Net interest	4	(95,258)	(19,542)
Loss on ordinary activities before taxation		(5,601)	(573,226)
Taxation	6	(6,792)	-
Loss for the financial year transferred from reserves	16,17	(12,393)	(573,226)

There were no recognised gains or losses other than the profit for the financial year.

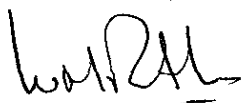
The accompanying accounting policies and notes form an integral part of these financial statements.

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

CONSOLIDATED BALANCE SHEET AT 31 MAY 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible assets	8	1,054,442	1,088,445
Current assets			
Stocks	10	4,354	8,000
Debtors	11	213,469	170,330
Cash at bank and in hand		327,368	913,202
		<u>545,191</u>	<u>1,091,532</u>
Creditors: amounts falling due within one year	12	(382,912)	(1,432,433)
		<u>162,279</u>	<u>(340,901)</u>
Net current assets/ (liabilities)			
Total assets less current liabilities		<u>1,216,721</u>	<u>747,544</u>
Creditors: amounts falling due after more than one year	13	(1,409,068)	(1,407,523)
Deferred taxation	14	(50,000)	(50,000)
		<u>(242,347)</u>	<u>(709,979)</u>
		=====	=====
Capital and reserves			
Called up share capital	15	502,499	125,746
Share premium account	16	111,521	8,249
Profit and loss account	16	(1,841,578)	(1,829,185)
Revaluation reserve	16	985,211	985,211
		<u>(242,347)</u>	<u>(709,979)</u>
Shareholders' funds	17	<u>(242,347)</u>	<u>(709,979)</u>
		=====	=====

The financial statements were approved by the Board of Directors on 3 November 1999.



Director

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

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

COMPANY BALANCE SHEET AT 31 MAY 1999

	Note	1999	1998
		£	£
Fixed assets			
Tangible assets	8	19,231	1,088,445
Investments	9	2	-
Current assets			
Stocks	10	4,354	8,000
Debtors	11	213,469	170,330
Cash at bank and in hand		327,368	913,202
		<u>545,191</u>	<u>1,091,532</u>
Creditors: amounts falling due within one year	12	<u>(382,912)</u>	<u>(1,432,433)</u>
Net current assets/ (liabilities)		162,279	(340,901)
Total assets less current liabilities		<u>181,512</u>	<u>747,544</u>
Creditors: amounts falling due after more than one year	13	-	(1,407,523)
Deferred taxation	14	-	(50,000)
		<u>181,512</u>	<u>(709,979)</u>
Capital and reserves			
Called up share capital	15	502,499	125,746
Share premium account	16	111,521	8,249
Profit and loss account	16	(432,508)	(1,829,185)
Revaluation reserve	16	-	985,211
Shareholders' funds		<u>181,512</u>	<u>(709,979)</u>

The financial statements were approved by the Board of Directors on 3 November 1999.



Director

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

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 1999

1 Basis of preparing the financial statements

The financial statements are prepared in accordance with the historical cost convention.

The cashflow projections for the current season show that the trading operations of the Club are producing cash outflows, but the directors are taking steps to re-schedule loan repayments with their main lender, raise new funds and implement cost cutting measures. The directors recognise that they are dependent on the co-operation of their lenders, which they believe they have, and the success of the other measures designed to improve cashflow, referred to above.

On the basis of the success of the anticipated measures the projections show that the financial resources available to the company are sufficient and accordingly the directors believe that it is appropriate to prepare the financial statements on the going concern basis which assumes the company and its subsidiary will continue in operational existence for the foreseeable future.

If the company or its subsidiary were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, and to provide for further liabilities that might arise, and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

2 Operating loss is stated after:

	1999	1998
	£	£
Auditors' remuneration	5,353	3,000
Depreciation - owned assets	11,091	36,059
- leased/hire purchase assets	1,519	9,663
Pension costs	1,305	1,651
	=====	=====

3 Other operating charges

	1999	1998
	£	£
Administration expenses	(542,713)	(675,754)
Other operating income	86,514	28,073
	-----	-----
	(456,199)	(647,681)
	=====	=====

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

4 Net interest

	1999	1998
	£	£
On bank loans, overdrafts and other loans:		
Bank interest	(18,039)	(17,804)
Lease and hire purchase interest	(9,454)	(1,738)
Loan interest	(100,367)	-
	<u>(127,860)</u>	<u>(19,542)</u>
Other interest receivable	32,602	-
	<u>(95,258)</u>	<u>(19,542)</u>

5 Directors and employees

Staff costs during the year were as follows:

	1999	1998
	£	£
Wages and salaries	1,050,294	924,716
Social security costs	97,490	93,641
Pension costs	1,305	1,651
	<u>1,149,089</u>	<u>1,020,008</u>

The average number of employees during the year was 93 (1998: 91).

During the year nil directors (1998: nil) participated in money purchase pension schemes.

6 Taxation

	1999	1998
	£	£
The tax charge represents:		
United Kingdom corporation tax @ 21%	(6,792)	-

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

7 Net transfer fees

	1999 £	1998 £
Transfer fees receivable	170,000	-
Transfer fees payable	(31,500)	(25,500)
	<u>138,500</u>	<u>(25,500)</u>
	=====	=====

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

8 Tangible fixed assets

a) The Group

	Brockville Stadium £	Cars, Plant and Equipment £	Total £
Cost			
At 1 June 1998	1,035,211	157,144	1,192,355
Disposals	-	(30,550)	(30,550)
At 31 May 1999	1,035,211	126,594	1,161,805
Depreciation			
At 1 June 1998	-	103,910	103,910
Provided in the year	-	11,091	11,091
Disposals	-	(7,638)	(7,638)
At 31 May 1999	-	107,363	107,363
Net book value at 31 May 1999	1,035,211	19,231	1,054,442
Net book value at 31 May 1998	1,035,211	53,234	1,088,445

The management of the Club remain committed to relocating the Club from Brockville to a new site. Consequently the directors are of the opinion that all of the property and infrastructure at Brockville holds no value and have written down the value of Brockville Stadium and the leasehold property to £nil.

On 2 April 1998 Messrs J Trevor & Webster, Chartered Surveyors, valued the land Brockville Stadium is situated on and an adjacent piece of land leased by the club from Falkirk Council at £1.5m on an open market value basis. Based on that value, and having regard to the proportion of the total area owned by the club, the directors valued the club's interest in the land at £1,035,211.

A provision of £50,000 has been made in the deferred taxation account for the estimated corporation tax that would be payable on disposal at this valuation.

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

8 Tangible fixed assets (contd)

a) The Group

If Brockville Stadium had not been revalued, it would have been included on the historical cost basis at the following amount:

	Brockville Stadium £
Cost	538,240
Accumulated depreciation	(244,549)
	=====
Net book value at 31 May 1999	293,691
	=====
Net book value at 31 May 1998	309,148
	=====

The figures stated above include assets held under finance leases and similar hire purchase contracts as follows:

	Motor vehicles £
Net book amount at 31 May 1999	4,556
	=====
Net book amount at 31 May 1998	28,987
	=====
Depreciation provided during year	1,519
	=====

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

8 Tangible fixed assets (contd)

b) The Company

	Brockville Stadium £	Cars, Plant and Equipment £	Total £
Cost			
At 1 June 1998	1,035,211	157,144	1,192,355
Disposals	-	(30,550)	(30,550)
Transfers	(1,035,211)	-	(1,035,211)
At 31 May 1999	-	126,594	126,594
Depreciation			
At 1 June 1998	-	103,910	103,910
Provided in the year	-	11,091	11,091
Disposals	-	(7,638)	(7,638)
At 31 May 1999	-	107,363	107,363
Net book value at 31 May 1999	-	19,231	19,231
Net book value at 31 May 1998	1,035,211	53,234	1,088,445

The figures stated above include assets held under finance leases and similar hire purchase contracts, as follows:

	Motor vehicles £
Net book amount at 31 May 1999	4,556
Net book amount at 31 May 1998	28,987
Depreciation provided during year	1,519

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

9 Investments

The company

The company holds at cost an investment of £2 in the wholly owned subsidiary undertaking Westfield Stadium Limited. This company was incorporated in Scotland on 18 March 1998 and has an issued share capital of 2 ordinary shares of £1. Its aggregate amount of capital and reserves at 31 May 1999 was (£373,857). Its loss for the period to 31 May 1999 was £373,859.

10 Stocks

The group and the company

	1999	1998
	£	£
Finished goods	4,354	8,000
	=====	=====

There were no significant differences between the replacement cost and the values disclosed for stock.

11 Debtors: amounts falling due within one year

	The Group		The Company	
	1999	1998	1999	1998
	£	£	£	£
Trade debtors	203,388	170,330	203,388	170,330
Prepayments	10,081	-	10,081	-
	=====	=====	=====	=====
	213,469	170,330	213,469	170,330
	=====	=====	=====	=====

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

12 Creditors: amounts falling due within one year

	The Group		The Company	
	1999	1998	1999	1998
	£	£	£	£
Trade creditors	41,739	293,815	41,739	293,815
Social security and other taxes	20,355	599,774	20,355	599,774
Other creditors	168,797	165,000	77,500	165,000
Accruals and deferred income	142,867	302,435	142,867	302,435
Amounts owed by group undertakings	-	-	91,297	-
Signing fees payable	-	39,500	-	39,500
Hire purchase creditors	2,362	16,909	2,362	16,909
Directors loans	-	15,000	-	15,000
Corporation tax payable	6,792	-	6,792	-
	<u>382,912</u>	<u>1,432,433</u>	<u>382,912</u>	<u>1,432,433</u>

13 Creditors: amounts falling due after more than one year

	The Group		The Company	
	1999	1998	1999	1998
	£	£	£	£
Hire purchase creditor	-	7,523	-	7,523
Loan	1,409,068	1,400,000	-	1,400,000
	<u>1,409,068</u>	<u>1,407,523</u>	<u>-</u>	<u>1,407,523</u>

The loan is secured by a floating charge over all the assets of the company and a standard security over Brockville Stadium and surrounding areas of ground in Falkirk.

14 Deferred taxation

The Group and the Company

	The Group		The Company	
	1999	1998	1999	1998
	£	£	£	£
Unrealised capital gains	50,000	50,000	-	50,000

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

15 Share capital

	1999	1998
	£	£
Authorised		
1,007,000 ordinary shares of 50 pence each	503,500	210,000
40,000 7.5% non voting cumulative preference shares of £1 each	-	40,000
	<hr/>	<hr/>
	503,500	250,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
1,004,998 ordinary shares of 50 pence each	502,499	125,746
	<hr/>	<hr/>

Allotments during the year

The company made an allotment of 753,506 ordinary 50p shares at 61.2p by way of a rights issue to existing members. The difference of £103,272 between the total consideration of £480,025 and the total nominal value of £376,753 has been credited to the share premium account.

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

16 Reserves

The Group

	Share Premium Account £	Revaluation Reserve £	Profit and Loss Account £
At 1 June 1998	8,249	985,211	(1,829,185)
Retained loss for the year	-	-	(12,393)
Premium on allotment during the year	103,272		
	<u>111,521</u>	<u>985,211</u>	<u>(1,841,578)</u>
At 31 May 1999	<u>111,521</u>	<u>985,211</u>	<u>(1,841,578)</u>

The Company

	Share Premium Account £	Revaluation Reserve £	Profit and Loss Account £
At 1 June 1998	8,249	985,211	(1,829,185)
Retained profit for the year			411,466
Premium on allotment during the year	103,272	-	-
Realisation of revaluation gains of previous years	-	(985,211)	985,211
	<u>111,521</u>	<u>-</u>	<u>(432,508)</u>
At 31 May 1999	<u>111,521</u>	<u>-</u>	<u>(432,508)</u>

In accordance with S230 of the Companies Act 1985, the company has not included its own profit and loss account in these financial statements.

17 Reconciliation of movements in shareholders' funds

	1999 £	1998 £
Loss for the financial year	(12,393)	(573,226)
Issue of shares	480,025	-
Net increase/(decrease) in shareholders' funds	<u>467,632</u>	<u>(573,226)</u>
Shareholders' funds at 1 June 1998	<u>(709,979)</u>	<u>(136,753)</u>
Shareholders' funds at 31 May 1999	<u>(242,347)</u>	<u>(709,979)</u>

THE FALKIRK FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 1999

18 Transactions with directors

	1999	1998
	£	£
Amounts owed to directors		
David Gordon	-	10,000
Neil Binnie	-	5,000
	<hr/>	<hr/>
	-	15,000
	<hr/>	<hr/>

19 Capital commitments

There were no capital commitments at 31 May 1999 or 31 May 1998.

20 Contingent liabilities

There were no contingent liabilities at 31 May 1999 or 31 May 1998.

21 Post balance sheet events

During September 1999 D Moss was sold to Dunfermline Football and Athletic Club and J Henry was bought from Kilmarnock Football Club. There was not a material cash difference between the two transactions.