

Financial Statements for the Year Ended 31 May 2017

for

East Fife Football Club Limited

THURSDAY



\*S6ZT536X\*

SCT

15/02/2018

COMPANIES HOUSE

#382

Contents of the Financial Statements  
for the Year Ended 31 May 2017

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

East Fife Football Club Limited

Company Information  
for the Year Ended 31 May 2017

<b>DIRECTORS:</b>	J M Stevenson J Barclay D Marshall J Donaldson K R C Henderson
<b>SECRETARY:</b>	D Briggs
<b>REGISTERED OFFICE:</b>	Bayview Stadium Harbour View Methil Fife KY8 3RW
<b>REGISTERED NUMBER:</b>	SC007902 (Scotland)
<b>SENIOR STATUTORY AUDITOR:</b>	Peter Deans
<b>AUDITORS:</b>	Peter Deans Chartered Accountants 42 Stirling Street Denny Stirlingshire FK6 6DJ
<b>BANKERS:</b>	Clydesdale Bank Leven Fife KY8 4HE
<b>SOLICITORS:</b>	Innes Johnston LLP 5-7 Commercial Road Leven Fife KY8 4LE

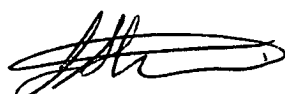
**Balance Sheet**  
**31 May 2017**

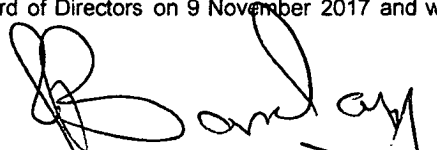
	Notes	31.5.17 £	31.5.16 £
<b>FIXED ASSETS</b>			
Tangible assets	4	901,947	923,890
<b>CURRENT ASSETS</b>			
Stocks		6,473	6,655
Debtors	5	10,963	23,955
Cash at bank and in hand		38,271	24,414
		<u>55,707</u>	<u>55,024</u>
<b>CREDITORS</b>			
Amounts falling due within one year	6	<u>64,350</u>	<u>63,322</u>
<b>NET CURRENT LIABILITIES</b>		<u>(8,643)</u>	<u>(8,298)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		893,304	915,592
<b>CREDITORS</b>			
Amounts falling due after more than one year	7	(184,582)	(181,975)
<b>ACCRUALS AND DEFERRED INCOME</b>	8	<u>(584,131)</u>	<u>(601,831)</u>
<b>NET ASSETS</b>		<u>124,591</u>	<u>131,786</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	49,957	49,957
Share premium	10	609,695	609,695
Retained earnings	10	<u>(535,061)</u>	<u>(527,866)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>124,591</u>	<u>131,786</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 9 November 2017 and were signed on its behalf by:

  
J M Stevenson - Director

  
J Barclay - Director

  
D Marshall - Director

  
J Donaldson - Director

Notes to the Financial Statements  
for the Year Ended 31 May 2017

**1. STATUTORY INFORMATION**

East Fife Football Club Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Going concern**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

As described in the Directors' report on page 2 the company has reported an operating loss for the year ended 31 May 2017 of £7,195 and as at 31 May 2017 the company has net current liabilities of £8,643. The directors have prepared cash flow projections 12 months from the date of their Directors' report to determine the cash requirements of the company. These have been prepared on the assumption that the club will remain in SPFL League 1.

The Directors continue to try and align the clubs' cost base with projected income levels. In the year ended 31 May 2017 the directors feel that this has been achieved in the main, barring the unforeseen circumstances disclosed in their report. As in previous years a realistic budget has been set in line with current financial circumstances.

The only major creditors that the company has are the Directors through their loans accounts and Methil Dock No 3 Assets Limited. As explained in the Directors Report, the Directors have pledged to leave loans in place for a period of at least 18 months from the date of their report. Also per the Directors report a monthly payment continues to be paid Methil Dock No 3 Assets Limited, however no formal approved repayment plan has been finalised.

The directors have concluded that the company will have adequate resources to continue operating for a period of at least 12 months from the date of these accounts. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

**Turnover**

Turnover comprises gate receipts, sponsorship and other commercial revenue and distributions from the Scottish Football Association and Scottish Football League.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Freehold Land	- not provided
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued  
for the Year Ended 31 May 2017

2. **ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Grants**

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

**Players**

Income and expenditure relating to the purchase and costs of players are reflected in the Profit and Loss Account. No recognition is made in the Balance Sheet of estimated value of players.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 32.

4. **TANGIBLE FIXED ASSETS**

	Freehold property £	Freehold Land £	Plant and machinery £
<b>COST</b>			
At 1 June 2016	1,114,011	189,111	186,376
Additions	-	-	7,222
At 31 May 2017	1,114,011	189,111	193,598
<b>DEPRECIATION</b>			
At 1 June 2016	409,870	-	170,126
Charge for year	22,280	-	4,233
At 31 May 2017	432,150	-	174,359
<b>NET BOOK VALUE</b>			
At 31 May 2017	681,861	189,111	19,239
At 31 May 2016	704,141	189,111	16,250

Notes to the Financial Statements - continued  
for the Year Ended 31 May 2017

**4. TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 June 2016	181,963	10,000	5,040	1,686,501
Additions	-	-	1,346	8,568
At 31 May 2017	181,963	10,000	6,386	1,695,069
<b>DEPRECIATION</b>				
At 1 June 2016	169,948	7,627	5,040	762,611
Charge for year	3,004	593	401	30,511
At 31 May 2017	172,952	8,220	5,441	793,122
<b>NET BOOK VALUE</b>				
At 31 May 2017	9,011	1,780	945	901,947
At 31 May 2016	12,015	2,373	-	923,890

Fixed assets, included in the above, which are held under hire purchase contracts and finance leases are as follows:

	Plant and machinery £
<b>COST</b>	
At 1 June 2016	14,826
Additions	7,000
At 31 May 2017	21,826
<b>DEPRECIATION</b>	
At 1 June 2016	10,136
Charge for year	1,312
At 31 May 2017	11,448
<b>NET BOOK VALUE</b>	
At 31 May 2017	10,378
At 31 May 2016	4,690

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.5.17 £	31.5.16 £
Trade debtors	3,600	19,768
Other debtors	7,363	4,187
	10,963	23,955

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.5.17 £	31.5.16 £
Hire purchase contracts and finance leases	2,343	2,963
Trade creditors	15,633	16,546
Taxation and social security	8,810	10,501
Other creditors	37,564	33,312
	64,350	63,322

**Notes to the Financial Statements - continued  
for the Year Ended 31 May 2017**

**7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.5.17 £	31.5.16 £
Hire purchase contracts and finance leases	2,100	247
Other creditors	182,482	181,728
	<u>184,582</u>	<u>181,975</u>

Amounts owed by the company which are greater than 5 years and paid by instalment amounted to £67,882 at 31 May 2017 (2015 : £75,528). There is no interest charged on this outstanding amount.

**8. ACCRUALS AND DEFERRED INCOME**

	31.5.17 £	31.5.16 £
Football Trust grant	814,231	814,231
Provision released b/fwd	(212,400)	(194,700)
Provision release in year	(17,700)	(17,700)
	<u>584,131</u>	<u>601,831</u>

East Fife Football Club Ltd received a grant from the Football Trust, to assist with the construction of the football stadium. This grant is being amortised in line with the depreciation of the stadium, and will become repayable in full should the stadium cease to be used for sporting purposes. The amortisation of the grant in the year to 31 May 2017 amounted to £17,700 (2016 : £17,700).

**9. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid: Number:	Class:	Nominal value:	31.5.17 £	31.5.16 £
198,163	Ordinary	£0.25	<u>49,957</u>	<u>49,957</u>

**10. RESERVES**

	Retained earnings £	Share premium £	Totals £
At 1 June 2016	(527,866)	609,695	81,829
Deficit for the year	(7,195)		(7,195)
At 31 May 2017	<u>(535,061)</u>	<u>609,695</u>	<u>74,634</u>

**11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

**Going Concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. As at 31 May 2017 the company has net current liabilities of £8,643 and produced operating loss of £7,195, and is projected to produce a small profit during the year ended 31 May 2018. These conditions, along with other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Peter Deans (Senior Statutory Auditor)  
for and on behalf of Peter Deans Chartered Accountants



**12. CONTINGENT LIABILITIES**

As part of the legal settlement reached with Morrison Construction Services Limited, should any part of the property be sold to Forth Ports plc then £30,000 will be payable to Morrison Construction Services Limited within fourteen days of the conclusion of such a contract.

**13. RELATED PARTY DISCLOSURES**

In a previous financial year the company sold 2.847 hectares of land which it owned to The Firm of IPM Partners UK. The land had a historic cost of £210,889 and a market value of £150,000, the company received sales proceeds of £110,000. Included in the sale agreement was a clack-back security over the land which secures a 15% payment of any uplift in value should the ground be sold for certain purposes. Lorraine Twigg, who at the time of the transaction was a major shareholder in the company has an interest in The Firm of IPM Partners UK. The company as a result of this transaction took on a Licence to Occupy the aforementioned ground with The Firm of IPM Partners UK.

**14. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**15. ULTIMATE CONTROLLING PARTY**

It is the opinion of the company's directors that the Bayview Fife Limited is the ultimate controlling party.