

EAST FIFE FOOTBALL CLUB LIMITED

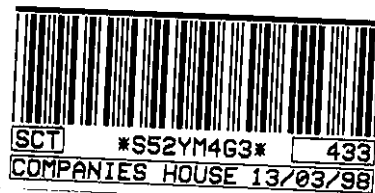
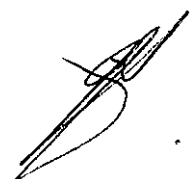
FINANCIAL STATEMENTS

31ST MAY 1997

BAYVIEW PARK

METHIL

FIFE



EAST FIFE FOOTBALL CLUB LIMITED

1.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MAY 1997

Directors:

J.S. Danskin	
J. Fleming	
K. Mackay	(appointed 18.12.96)
J.B. Stewart	(appointed 19. 9.96)
J. Taylor	
J.W. Baxter	(retired 18.12.96)
S. Baxter	(resigned 18.12.96)

Secretary:

Mrs. L. Walker

Registered Office:

Bayview Park, Methil, Fife

The Directors present their Annual Report and the Financial Statements of the Company for the year ended 31st May, 1997.

ACTIVITIES

The principal activity of the Company has been that of a Football Club.

ACCOUNTS

Gate Drawings and Shares for the period amounted to £259,059 and the sums received from the Scottish Football Association and League were £98,709, which amounts, along with other miscellaneous receipts, gave total trading revenue of £398,434 as against £190,933 in the previous year. Costs amounted to £324,471 as compared with £325,381. This produced an Operating Profit of £73,963 as compared to a loss of £134,448 previously. Non-trading Income brought in £30,257 giving an over-all Profit of £104,220 before tax.

FIXED ASSETS

In the light of recent professional valuations the Directors are able to express the opinion that the existing value of the Heritable Property on the open market is well in excess of its book value.

DIRECTORS & SECRETARY

All the Directors listed above held office throughout the period or as indicated.

DIRECTORS' INTERESTS/

EAST FIFE FOOTBALL CLUB LIMITED

2.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MAY 1997 (CONTD.)

DIRECTORS' INTERESTS

The interests of the Directors in the Shares of the Company at 1st June 1996 and 31st May 1997 were:-

	<u>1997</u>	<u>1996</u>
J.S. Danskin	3,000	3,000
J. Fleming	2,210	2,210
J.B. Stewart	540	-
J. Taylor	750	750
K. Mackay	1,110	-
J.W. Baxter	-	3,000
S. Baxter	-	700

EXPORTS

There were no exports during the year.

AUDITOR

A resolution proposing the re-appointment of Mr. J.A.C. Clark as auditor of the Company will be put to the members at the Annual General Meeting.

APPROVAL

The Report was approved by the Board on 1st September, 1997 and signed on its behalf by

'LEONA WALKER'

MRS. LEONA WALKER,
.....SECRETARY.

James B Stewart Secretary/Director

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 of its profit or loss. In preparing these the Directors are required to select suitable accounting policies and apply them consistently, make reasonable and prudent judgements and estimates and to prepare the Financial Statements on a going concern basis. They are responsible for maintaining proper accounting records disclosing with reasonable accuracy at any time the financial position of the Company and to ensure that Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the Assets of the Company and for taking reasonable steps to prevent and detect fraud and other such irregularities.

**REPORT OF THE REGISTERED AUDITOR TO THE MEMBERS
OF EAST FIVE FOOTBALL CLUB LIMITED**

I have audited the Financial Statements on pages 4 to 7 which have been prepared under the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditor

As described above the Company's Directors are responsible for the preparation of Financial Statements. It is my responsibility to form an independent opinion based on my audit, on those Statements and to report my opinion to you.

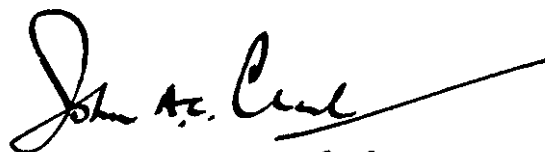
Basis of Opinion

I conducted my 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.

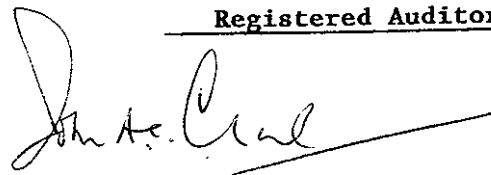
I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the Financial Statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Opinion

In my opinion, the Financial Statements give a true and fair view of the state of the Company's affairs at 31st May 1997 and of its Profit for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small Companies.



**J.A.C. Clark,
Chartered Accountant &
Registered Auditor.**



**LEVEN,
1st September, 1997.**

EAST FIFE FOOTBALL CLUB LIMITED

4.

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31ST MAY 1997

	<u>NOTE</u>	<u>YEAR TO</u> <u>31.5.97</u>	<u>PERIOD TO</u> <u>31.5.96</u>
TRADING INCOME	2	£ 398,434	£ 190,933
<u>LESS:</u> TRADING EXPENDITURE		324,471	325,381
	3	£ 73,963	£(134,448)
LOTTERY INCOME		27,000	19,505
HALF TIME DRAW		2,754	-
DONATIONS		503	-
PROFIT/(LOSS) BEFORE TAXATION		£ 104,220	£(114,943)
CORPORATION TAX		-	-
PROFIT/(LOSS) FOR YEAR		£ 104,220	£(114,943)
(LOSS) BROUGHT FORWARD		(248,043)	(133,100)
		£(143,823)	£(248,043)

The Company had no other recognised gains or losses in the two financial periods ended 31st May, 1997 other than as stated above.

EAST FIFE FOOTBALL CLUB LIMITED

5.

BALANCE SHEET AS AT 31ST MAY 1997

	<u>NOTE</u>	<u>YEAR TO</u> <u>31.5.97</u>	<u>PERIOD TO</u> <u>31.5.96</u>
<u>CURRENT ASSETS</u>			
DEBTORS	4	£ 16,457	£ 29,083
CASH ON HAND		481	512
		£ 16,938	£ 29,595
CREDITORS DUE WITHIN ONE YEAR	5	35,508	161,493
<u>NET CURRENT (LIABILITIES)</u>		£(18,570)	£(131,898)
<u>FIXED ASSETS</u>			
TANGIBLE ASSETS	6	145,995	155,103
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		£ 127,425	£ 23,205
<u>CAPITAL AND RESERVES</u>			
CALLED UP SHARE CAPITAL	7	£ 10,000	£ 10,000
SAFETY OF GROUND RESERVE	8	261,248	261,248
PROFIT AND LOSS ACCOUNT		(143,823)	(248,043)
		£ 127,425	£ 23,205

The Directors have taken advantage, in the preparation of these Financial Statements, of the exemptions available under Part 1 of Schedule 8 to the Companies Act 1985, on the grounds that the Company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

The Financial Statements were approved by the Board of Directors on 1st September, 1997 and signed on its behalf by

'JULIAN S. DANSKIN'


JULIAN STRUTHERS DANSKIN,
DIRECTOR.

NOTES TO FINANCIAL STATEMENTS - 31ST MAY 19971. ACCOUNTING POLICIES

- (a) The Accounts have been prepared under the Historical Cost Convention.
- (b) Depreciation is written off the net book value at the rate of 25% per annum in the case of all Fixed Assets except Heritable Property on which no depreciation is provided.
- (c) Advantage has been taken of certain exemptions applicable to small Companies.

2. TRADING INCOME

Trading Income represents receipts from all usual sources applicable to a Football Club.

3. OPERATING PROFIT/(LOSS)

This is stated after charging:-

	<u>1997</u>	<u>1996</u>
DIRECTOR'S SALARY - J. BAXTER	£ 2,220	£ 10,710
BANK INTEREST AND CHARGES	12,725	9,596
AUDITOR'S REMUNERATION	1,000	2,000
DEPRECIATION	2,463	5,915
	<u>£18,408</u>	<u>£ 28,221</u>

4. DEBTORS

TRADE DEBTORS	<u>£16,457</u>	<u>£ 29,083</u>
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5. CREDITORS DUE WITHIN ONE YEAR

BANK OVERDRAFT	£34,008	£147,853
TRADE CREDITORS	-	11,640
ACCRUALS	1,500	2,000
	<u>£35,508</u>	<u>£161,493</u>

6. TANGIBLE FIXED ASSETS/

NOTES TO FINANCIAL STATEMENTS - 31ST MAY 1997 (CONTD.)

6. TANGIBLE FIXED ASSETS

<u>Cost</u>	<u>As at 31.5.96</u>	<u>Added</u>	<u>Sold</u>	<u>As at 31.5.97</u>
Heritable Property -				
Football Ground	£114,878	£ -	£ -	£114,878
Social Club	22,017	-	-	22,017
	£136,895	£ -	£ -	£136,895
Floodlighting	55,253	-	-	55,253
Furniture & Fittings -				
Football Club	13,286	-	-	13,286
Social Club	3,014	-	-	3,014
Motor Vehicles	44,843	-	44,843	-
Equipment	12,052	4,970	-	17,022
	£265,343	£4,970	£44,843	£225,470
<u>Depreciation</u>				
Floodlighting	£ 52,138	£ 780	£ -	£ 52,918
Furniture & Fittings -				
Football Club	11,706	-	-	11,706
Social Club	2,874	-	-	2,874
Motor Vehicles	33,228	-	33,228	-
Equipment	10,294	1,683	-	11,977
	£110,240	£2,463	£33,228	£ 79,475
Net Book Value	£155,103			£145,995

7. SHARE CAPITAL

This consists of 40,000 authorised, issued and fully paid shares of 25p each.

8. SAFETY OF GROUND RESERVE

	<u>1997</u>	<u>1996</u>
BALANCE BROUGHT FORWARD	£261,248	£261,248