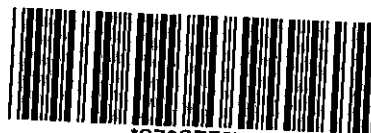


**RANGERS YOUTH DEVELOPMENT LIMITED**  
**COMPANY NUMBER SC259440**  
**ACCOUNTS FOR YEAR ENDED 30 JUNE 2007**

THURSDAY



\*SZ0CEZ5L\*

SCT

24/04/2008

194

COMPANIES HOUSE

15 5622/04/2008

# **RANGERS YOUTH DEVELOPMENT LIMITED**

## **REPORT OF THE DIRECTORS**

The Directors present their Financial Statements for the year ended 30 June 2007

### **Principal Activity and Business Review**

The principal activity of the Company is the operation of youth football development.

### **Results**

The loss for the period after taxation of £75 797 (2006 Loss of £3 744) was transferred to reserves. The Directors do not recommend the payment of a dividend.

### **Directors And Their Interests**

The Directors who held office at 30 June 2007 are listed below. None of the Directors have an interest in the share capital of the Company however they had the following interests in the 10p ordinary share capital of the holding company The Rangers Football Club plc

	30 Jun 07	30 Jun 06
M Bain	2,000	2 000
J F McClelland	76 000	76 000
A J Dickson	511	511
W Jardine	480	480

### **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 and of the state 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

state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements,

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

In so far as the Directors are aware

There is no relevant audit information of which the company's auditors are unaware, and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information

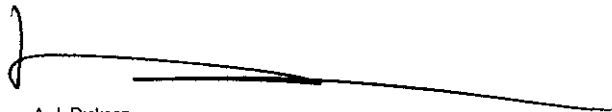
### **Auditors**

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985

### **Small Company Exemption**

The Report of the Directors has been prepared in accordance with the special provisions under Part VII of the Companies Act 1985 relating to small companies

BY ORDER OF THE BOARD



A J Dickson  
Director  
23rd April 2008

**RANGERS YOUTH DEVELOPMENT LIMITED**  
**PROFIT & LOSS ACCOUNT**  
**for the year ended 30 June 2007**

	Notes	2007 £	2006 £
Turnover		2 388 850	2 500 000
Net Operating Expenses		(2 694 685)	(2 591 405)
Trading Loss		(305 835)	(91 405)
Net Charge for Player Registration		(15 781)	(9 156)
Operating Loss	2	(321 616)	(100 561)
Gain on Sale of Players		197 608	41 619
Loss before interest and tax		(124 010)	(58 942)
Interest Receivable		46 297	57 226
Loss before taxation		(77 713)	(1 716)
Taxation	3	1 916	(2 028)
<b>Retained Loss</b>	<b>9</b>	<b>(75,797)</b>	<b>(3,744)</b>

All of the activities of the company are classified as continuing

The company had no other recognised gains or losses other than the results for the year set out above

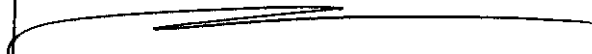
The accompanying accounting policies and notes form an integral part of these Financial Statements

**RANGERS YOUTH DEVELOPMENT LIMITED**  
**BALANCE SHEET**  
**as at 30 June 2007**

	Notes	2007 £	2006 £
<b>FIXED ASSETS</b>			
Tangible assets	4	93 698	95 698
Intangible assets	5	21 294	0
		114 992	95 698
<b>CURRENT ASSETS</b>			
Other debtors		55 686	15 000
Cash at bank and in hand		1 148 588	1 093 888
		1 204 274	1 108 888
<b>CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
Creditors (due to group undertaking)		(317 541)	(114 501)
Corporation tax		0	(1 688)
Accruals		(24 353)	(35 000)
		(341 894)	(151 189)
<b>NET CURRENT ASSETS</b>		862 380	957 699
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		977 372	1 053 397
<b>CREDITORS AMOUNTS FALLING DUE IN MORE THAN ONE YEAR</b>			
Loans	6	(823 030)	(823 030)
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	7	(112)	(340)
		<b>154,230</b>	<b>230,027</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		1	1
Profit & Loss Account	9	154 229	230 026
		<b>154,230</b>	<b>230,027</b>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (Effective January 2005)

The Financial Statements were approved by the Board on 23rd April 2008



A J Dickson  
Director

The accompanying notes form an integral part of these Financial Statements

**RANGERS YOUTH DEVELOPMENT LIMITED**  
**NOTES TO THE ACCOUNTS**  
**for the year ended 30 June 2007**

**1 ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

**Turnover**

Turnover represents income received in respect of services provided to the parent company and is stated net of value added tax

**Player Registrations**

The costs associated with the acquisition and retention of football personnel are capitalised as Intangible Assets and amortised over the period of the respective contracts. Payments which are contingent on the performance of the team or the player are recognised where the criteria are considered likely to be met. Receipts which are contingent on the performance of the team or the player are not recognised until the events crystallising such receipts have taken place

**Tangible Fixed Assets**

Freehold properties are subject to a full valuation every three years or in the year where there has been a material change in value by a qualified external valuer. Depreciation is provided on the cost of the asset on a straight line basis at the following rates

Freehold properties	1/33% per annum
Fixtures, Fittings & Equipment	10% per annum

**Foreign Currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates ruling at the Balance Sheet date. Any exchange differences are dealt with through the Profit and Loss Account

**Deferred Taxation**

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax or a right to pay less tax at a future date at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items in income and expenditure in taxation computations in periods different from those in which they are included in the Financial Statements

Deferred taxation is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

**Going Concern**

The Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore it is appropriate to adopt the going concern basis in preparing the Financial Statements

**2 OPERATING PROFIT**

The operating profit is stated after charging/ (crediting)

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Staff Costs		
Depreciation	2 000	
Player Amortisation	15 781	9 156
Auditor's Remuneration	1 500	1 500

**3 TAXATION**

The tax (credit)/charge represents

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
UK Corporation tax at 30% (2006 30%)	(1,688)	1 688
Deferred Tax	(228)	340
	<b>(1,916)</b>	<b>2,028</b>

**RANGERS YOUTH DEVELOPMENT LIMITED**  
**NOTES TO THE ACCOUNTS (contd.)**  
for the year ended 30 June 2007

**4 TANGIBLE FIXED ASSETS**

	Freehold Heritable Property £	Fixtures And Fittings £	Total £
<b>Cost</b>			
<b>AT 1 JULY 2006 AND 30 JUNE 2007</b>	93,000	2,698	95,698
<b>Depreciation</b>			
At 1 July 2006			
Charge for year	1,240	760	2,000
<b>AT 30 JUNE 2007</b>	1,240	760	2,000
<b>NET BOOK VALUE 30 JUNE 2007</b>	91,760	1,938	93,698
NET BOOK VALUE 30 JUNE 2006	93,000	2,698	95,698

**5 INTANGIBLE FIXED ASSETS**

	Player Registrations £
<b>Cost</b>	
At 1 July 2006	
Additions	37,075
<b>AT 30 JUNE 2007</b>	37,075
<b>Depreciation</b>	
At 1 July 2006	
Charge for year	15,781
<b>AT 30 JUNE 2007</b>	15,781
<b>NET BOOK VALUE 30 JUNE 2007</b>	21,294
NET BOOK VALUE 30 JUNE 2006	

**6 LOANS**

There is a term loan of £73,000 (2006: £73,000) repayable within 2-5 years with a fixed interest rate above LIBOR. The loan is secured by a Standard Security over the freehold heritable property. Other loans of £750,030 (2006: £750,030) made to the company by certain individuals are interest free and are repayable between 2 and 5 years.

**7 DEFERRED TAXATION**

The movement in the deferred taxation provision during the year was

	2007 £	2006 £
Provision brought forward	340	0
Profit and loss account movement arising during the year	(228)	340
Provision carried forward	112	340
The provision for deferred taxation consists of the tax effect of timing differences in respect of		
	2007 £	2006 £
Excess of capital allowances over depreciation on fixed assets	112	340

**RANGERS YOUTH DEVELOPMENT LIMITED**  
**NOTES TO THE ACCOUNTS (contd.)**  
**for the year ended 30 June 2007**

**8 SHARE CAPITAL**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Authorised		
Ordinary shares of £1 each	1	1
Allotted called up and fully paid		
Ordinary shares of £1 each	1	1

**9 RESERVES**

	<b>Profit &amp; Loss</b>
	<b>£</b>
At 1 July 2006	230 026
Retained loss for the year	(75 797)
<b>At 30 June 2007</b>	<b>154,228</b>

**10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Opening shareholders' funds	230 027	233 771
Loss for the year	(75 797)	(3 744)
<b>Closing shareholder's funds</b>	<b>154,230</b>	<b>230,027</b>

**11 ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of Rangers Football Club plc, Ibrox Stadium Glasgow G51 2XD

The smallest group in which the results of the Company are consolidated is that headed by The Rangers Football Club plc. The largest group which the results of the Company are consolidated is that headed by Murray International Holdings Limited whose registered office is at 9 Charlotte Square Edinburgh EH2 4DR

**12 RELATED PARTY TRANSACTIONS**

As a wholly owned subsidiary the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by The Rangers Football Club plc

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
RANGERS YOUTH DEVELOPMENT LIMITED**

We have audited the financial statements of Rangers Youth Development Limited for the year ended 30 June 2007 which comprise, the profit and loss account, the balance sheet and notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (Effective January 2005).

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Report of the Directors and financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Companies Act 1985. We also report to you whether, in our opinion, the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 30 June 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and
- the information given in the Report of the Directors is consistent with the financial statements.

GRANT THORNTON UK LLP  
REGISTERED AUDITOR  
CHARTERED ACCOUNTANTS  
Glasgow



23/4/08