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

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 Directiors 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

15 5622/04/2008

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		197 606	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)
Retained Loss	**9**	**(75,797)**	**(3,744)**

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

15 5622/04/2008

RANGERS YOUTH DEVELOPMENT LIMITED
BALANCE SHEET
as at 30 June 2007

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

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 staight 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)

	2007	2006
	£	£
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

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

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4 TANGIBLE FIXED ASSETS

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

5 INTANGIBLE FIXED ASSETS

	Player Registrations £
Cost	
At 1 July 2006	
Additions	37,075
AT 30 JUNE 2007	37,075
Depreciation	
At 1 July 2006	
Charge for year	15 781
AT 30 JUNE 2007	**15,781**
NET BOOK VALUE 30 JUNE 2007	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

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8 SHARE CAPITAL

	2007	2006
	£	£
Authorised		
Ordinary shares of £1 each	1	1
Allotted called up and fully paid		
Ordinary shares of £1 each	1	1

9 RESERVES

	Profit & Loss
	£
At 1 July 2006	230 026
Retained loss for the year	(75 797)
At 30 June 2007	**154,229**

10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

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

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

GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
Glasgow

23/4/08

15 5622/04/2008