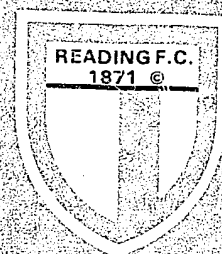
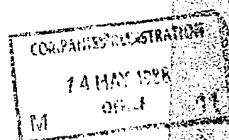


THE READING FOOTBALL CLUB PLC

53703

# REPORT and ACCOUNTS

30th JUNE 1987



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# THE READING FOOTBALL CLUB PLC

Company No. 590765

## DIRECTORS:

Mr. R. G. Smee (Chairman)  
Mr. M. J. Lewis (Managing Director/Secretary)  
Mr. J. Campbell F.C.A.  
Mr. C. M. Brooks

## TEAM MANAGER:

Mr. I. Braithwaite

## BANKERS:

Messrs. Lloyds Bank Ltd., 24 Broad Street, Reading

## SOLICITORS:

Messrs. Gifford-Chance, London.  
Messrs. Brink & Brink, Reading.

## AUDITORS:

Messrs. Cooper and Lybrand,  
Reading.

## REGISTERED OFFICE:

Elm Park, Norfolk Road, Reading.

## NOTICE OF MEETING

### THE READING FOOTBALL CLUB PLC

NOTICE IS HEREBY GIVEN that the eighty ninth Annual General Meeting of the above Company will be held at Elm Park, Norfolk Road, Reading, Berkshire on Thursday, 27th August, 1987 at 7.00pm for the following purposes.

1. To receive and adopt the Directors' Report, Annual Statement of Accounts and the Auditors' Report.
- 2-3. To re-elect the following directors who retire in accordance with the Companies Articles of Association:  
Mr. R. G. Smee  
Mr. M. J. Lewis
4. To re-appoint the Auditors
5. To transact any other ordinary business of the Company.

## BY ORDER OF THE BOARD

M. J. Lewis  
Secretary

## Registered Office:

Elm Park  
Norfolk Road,  
Reading, Berkshire.

Dated: 4th August, 1987

## NOTE:

A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his place. A proxy need not be a member of the Company. To be valid, the instrument appointing a proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

## CHAIRMAN'S STATEMENT

Dear Shareholder,

After 4 years of inexperience we finished in the highest position.

Whilst the previous statement was our ambition. We will continue to strive for it.

You may recall that in 1983 we were still trading at a loss. Our commercial activities were in a state of confusion. In recent history, last year we made a profit of £1.5 million and our net position on 31st March 1984 was a trading profit of £1.5 million. The cash arose out of the time when we were able to emulate the success of the wild exposure. We are now in a position to invest in new ventures. We believe the price is right and that the market is right.

It has always been our policy to report to you on the progress of the club. You will know that during the year we have reported that some £15 million has been invested in the construction of the club. Our trading position for the year has been as follows:

Whilst we reached 13th place in the league, we even won a couple of trophies. And our players, our staff, our supporters, our board, our management, our players in order to improve the club, we have invested wisely.

It is gratifying to note that our turnover has increased nominally from £1.5 million to £1.6 million. We shall continue this trend.

I am delighted to continue to be part of the League. Not only are we proud to be part of the League, but we are proud to be part of the success and the achievement of the League.

Our First Division Soccer League membership of 2000, 12th place, helping the Club and the League.

We have added a further £1.5 million to the season. Our trading income has gone to them all.

In summary, we have made a profit of £1.5 million. Annie Bassett in particular has been a great help to the club. We have added a further £1.5 million to the season. Our trading income has gone to them all.

Our whole raison d'être is to provide a first class football club for the people of Reading. We shall continue to strive for it.

R. G. SMEE  
Chairman

## CHAIRMAN'S STATEMENT

Dear Shareholder,

After 4 years of inexorable progress I am proud to be able to tell you that 1986/87 was the most successful playing season we have ever had. We finished in the highest position in the 116 year history of the Club. This was truly a milestone for everyone concerned.

Whilst the previous statement is entirely true, no one at this Club is satisfied we have reached the limit of our ability or indeed the zenith of our ambition. We will press on.

You may recall that in my statement to you last year, whilst there was justifiable jubilation at our success on the pitch, I expressed dismay that we were still trading at a loss, having to continue making sales to balance our books. Whilst steady progress was being made in respect of our commercial activities they, along with gate revenue, were still not covering our basic costs. I am therefore gratified to be able to report to you considerable progress and a substantial profit from these activities this year, resulting in a pure trading profit for the first time in recent history. Last year I felt it useful by way of explanation to include in the accounts a graphic illustration of our trading performance and our net position on buying and selling players in order to show you the trend of the club's financial performance in recent years. I have repeated the exercise this year to demonstrate to you just how remarkable the turnaround has been. From trading losses of £166,000 in 1984 to a trading profit of £76,000 this year, is an achievement of which any business can be justifiably proud. It is a tribute to the efforts of everybody involved. Our turnover exceeded £1 million for the first time and our overall profit for the year was £127,842. (The extra cash arose out of the timing of selling players by the accounting year end before we had re-invested in new players). Very few other clubs will be able to emulate this feat and if this performance can now be kept up, we have the base from which to make further progress without wild exposure. We are no longer forced to make sales of players or other assets merely to stay alive, we can now plan forward all of the time. We can invest in new ventures or players as surplus funds arise or indeed consider the sale of players, as we have recently, when we feel the price is right and that the cash income may be better utilised.

It has always been our objective to achieve a sound trading position before embarking on our other plans for the development of the Club. You will know that during last year we successfully won a planning appeal for the development of our new social club house. I am pleased to report that some £124,000 was raised as a result of our recent rights offer to shareholders and that with the support of our bank the construction of the club house is proceeding. This building will be an impressive addition to our facilities and should add significantly to our trading position for the season 1988/89 onwards.

Whilst we reached 13th position in Division 2, we had awful luck with injuries. For much of the season Ian Branfoot was forced to play on players and even our own squad members out of position. To achieve what they did under such circumstances was a triumph for patience, a cool head and organisation — all of which I can assure you Ian displays in considerable abundance. I am particularly pleased, personally, that Ian has stuck to his task here at Elm Park and that we have now put ourselves into a position where we can buy and sell players in order to improve rather than just maintain survival. This is, without doubt, the springboard for further progress — as long as we invest wisely.

It is gratifying to note that the big jump in attendances achieved during last year's Championship year were maintained, indeed they increased nominally from 6623 to 6663. However, more significantly, income from gate receipts improved by 15% to £542,077. With the likes of Leeds United, Aston Villa, Manchester City, Ipswich and West Bromwich Albion all visiting Elm Park this season we hope we shall continue this trend.

I am delighted to confirm a further 3 year sponsorship with Messrs Courage who must be just about the best sponsor in the Football League. Not only are their representatives so easy to work with but their hard work and efforts in so many additional directions add so much to the success and good image of our Club across the country.

Our First Division Society which replaced the National Sports Pool has proved to be successful. Although we did not achieve our full membership of 2000, 1200 members joined and we were able to offer very substantial prizes. The Society has proved a pleasurable way of helping the Club and I commend it to you. I should like to thank Colin Brooks and the Committee who run the Society, for their efforts.

We have added a further 6 Executive Boxes during this summer all of which have been let along with the existing 12 for the forthcoming season. Our trading income depends on the support of our various Box holders, Vice Presidents, Sponsors and various donors. My thanks go to them all.

In summary, we have now joined an elite handful of clubs who make trading profits. This has been made possible by Mike Lewis and Annie Bassett in particular, supported by other hard working commercial and administrative staff, hand in glove with the excellent bunch of lads who comprise our first team squad. All of their efforts also are much appreciated.

Our whole raison d'être is to run this business in order to help Ian build a team of footballers capable of taking on anyone. Three years ago from the middle of Division 4 the First Division looked a pipe dream away — it doesn't look so far now, does it?

R. G. SMEE  
Chairman

ONE

**READING FOOTBALL CLUB PLC**  
**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30th JUNE, 1987**

1. The directors present herewith the audited accounts for the year ended 30 June 1987.

**Review of Activities and Future Developments**

2. The profit and loss account is set out on page 4.  
 The principal activity of the company continues to be that of a professional Football League Club. The trading profit for the year of £76,067 represents a marked improvement over the trading loss of £36,857 incurred in the previous year. The overall profit for the year of £127,842 shows the benefit of net transfer fee income of £51,775 as opposed to the net transfer expenditure of £130,614 in the previous year.  
 At an extraordinary meeting held on 12 May 1987 the shareholders approved a rights offer of up to 50,000 ordinary shares of 50p each at £5 per share. The primary purpose of the related issue being to contribute to the cost of building a new club house. The resultant share issue of 24,867 new ordinary shares made on 3 July 1987 brought additional funds of £124,335, which in conjunction with loan finance made available by the club's bankers, allows the development to proceed. The directors are confident that the remaining shares will be taken up within the next twelve months.  
 The directors consider the level of activity and the year end financial position to be satisfactory and look forward to the improvement in performance seen during the year to be sustained in the year to 30 June 1988.

**Market Value of Land and Buildings**

3. In the opinion of the directors the market value of the freehold property for alternative uses is at least £1,400,000. In view of the specialised nature of these assets it is not considered appropriate to include the valuation in the accounts at the present time.

**Dividends**

4. The directors do not recommend payment of a dividend for the year ended 30 June 1987.

**Directors**

5. The directors of the company at 30 June 1987 all of whom were directors throughout the year ended on that date, were as follows:

R G Smee	(Chairman)
M J Lewis	(Managing Director)
J Campbell	
C M Brooks	
B D Roach	resigned on 28 August 1986

In accordance with the Articles of Association Mr R G Smee and Mr M J Lewis retire by rotation and, being eligible, offer themselves for re-election.

**Changes in Fixed Assets**

6. The movements in fixed assets during the year are set out in note 8 on page 10.

**Directors' Interests in Shares of the Company**

7. According to the register required to be kept under the provisions of Section 325 of the Companies Act 1985, the interests of the directors holding office at 30 June 1987 in the shares of the company, were as follows:-

	Ordinary shares of 50p each	
	30 June 1987	30 June 1986
R G Smee	11,332	5,500
M J Lewis	50	50
J Campbell	106	106
C M Brooks	150	—

On 30 June 1986 and until his resignation on 28 August 1986, B D Roach held 101 ordinary shares.

**Close Company Provisions**

8. As far as the directors are aware, the close company provisions of the Income and Corporation Taxes Act 1970, as amended, do not apply to the company. There has been no change in this respect since the end of the financial year.

**Auditors**

9. In accordance with Section 384 of the Companies Act 1985 a resolution to reappoint Coopers & Lybrand as auditors will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

M. J. Lewis  
 Secretary

4th August, 1987

## REPORT OF THE AUDITORS TO THE MEMBERS OF READING FOOTBALL CLUB PLC

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1. We have audited the accounts on pages 4 to 12 in accordance with approved Auditing Standards.
2. As stated in note 2 on page 8 the company is dependent on the continued support of its bankers.
3. In our opinion the accounts give a true and fair view of the state of the company's affairs at 30 June 1987 and of its profit and source and application of funds for the year then ended and comply with the Companies Act 1985.

COOPERS & LYBRAND.

Chartered Accountants

Reading: 4th August, 1987

READING FOOTBALL CLUB PLC  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1987

	Notes	1987 £	1986 £
TURNOVER	3a	1,016,198	761,540
PLAYERS AND STAFF COSTS		(525,413)	(507,760)
MATCH, GROUND AND ADMINISTRATIVE EXPENSES		(446,297)	(309,168)
OTHER OPERATING INCOME: DONATIONS		46,939	30,058
INTEREST PAYABLE	4	(15,360)	(5,527)
PROFIT/(LOSS) ON TRADING		76,067	(30,857)
TRANSFER FEES (NET)	3b	51,775	(130,614)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION	4	127,842	(161,471)
EXTRAORDINARY INCOME AFTER TAXATION	7	—	14,471
PROFIT/(LOSS) FOR THE YEAR		<u>£127,842</u>	<u>£(147,000)</u>

ACCUMULATED LOSSES

	1987 £	1986 £
RETAINED PROFITS 1 JULY 1986	(136,135)	10,865
PROFIT/(LOSS) FOR THE YEAR	<u>127,842</u>	<u>(147,000)</u>
ACCUMULATED LOSSES AT 30 JUNE 1987	<u>£(8,293)</u>	<u>£(136,135)</u>

The notes on pages 7 to 12 form part of these accounts.

Auditors' report page 3.

READING FOOTBALL CLUB PLC  
BALANCE SHEET FOR THE YEAR ENDED 30th JUNE, 1987

FIXED ASSETS  
Tangible assets  
CURRENT ASSETS  
Stocks  
Debtors  
Cash at bank and in hand

CREDITORS:  
amounts falling due within one year

NET CURRENT ASSETS  
Total assets less current liabilities

LESS: Non current liabilities  
CREDITORS:  
amounts falling due after more than one year

CAPITAL AND RESERVES  
Called up share capital  
Profit and loss account

R. G. SMEE

J. CAMPBELL

These accounts were approved by the directors on 29th July 1987.

**READING FOOTBALL CLUB PLC**  
**BALANCE SHEET AS AT 30 JUNE, 1987**

	Notes	1987	1986
		£	£
1986			
£			
761,540			
(507,760)			
(309,168)			
30,058			
(5,527)			
(30,857)			
(120,614)			
(161,471)			
14,471			
£(147,000)			
1986			
£			
10,865			
(147,000)			
£(136,135)			
FIXED ASSETS			
Tangible assets	8	182,440	110,477
CURRENT ASSETS			
Stocks	9	14,558	1,870
Debtors	10	171,519	51,087
Cash at bank and in hand		185	391
		186,262	53,348
CREDITORS:			
amounts falling due within one year	11	346,663	274,960
NET CURRENT LIABILITIES		(160,401)	(221,612)
Total assets less current liabilities		22,039	(111,135)
LESS: Non current liabilities			
CREDITORS:			
amounts falling due after more than one year	12	(5,332)	—
		£ 16,707	£(111,135)
CAPITAL AND RESERVES			
Called up share capital	13	25,000	25,000
Profit and loss account		(8,293)	(136,135)
		£ 16,707	£(111,135)

R. G. SMEE

J. CAMPBELL

Directors

These accounts were approved by the Board on 13th July, 1987.

The notes on pages 7 to 12 form part of these accounts.

Auditors' report page 3.

*Certified to be  
a true copy*  
*J. Campbell*  
*A. G. Lewis*

**READING FOOTBALL CLUB PLC**  
**STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 30th JUNE, 1987**

	1987	1986
	£	£
<b>SOURCE OF FUNDS</b>		
Net profit/(loss) before taxation and extraordinary item	127,842	(161,471)
Adjustment for items not involving the movement of funds:		
Depreciation	15,772	8,567
Loss on sale of fixed assets	—	408
<b>FUNDS GENERATED/(CONSUMED) BY OPERATIONS</b>	<b>143,614</b>	<b>(152,496)</b>
<b>OTHER SOURCES OF FUNDS</b>		
New hire purchase contracts	11,559	—
Sale of fixed assets	—	30
<b>APPLICATION OF FUNDS</b>		
Hire purchase repayments	(3,288)	—
Purchase of fixed assets	(87,735)	(25,986)
Increase/(decrease) in working capital	<u>£64,150</u>	<u>£(178,452)</u>
<b>INCREASE/(DECREASE) IN WORKING CAPITAL</b>		
Increase/(decrease) in stock	12,688	(420)
Increase/(decrease) in debtors	120,432	(44,503)
Increase in current creditors excluding overdrafts and hire purchase	(145,042)	(70,496)
<b>MOVEMENT IN NET LIQUID FUNDS:</b>		
Bank balance and cash balances	<u>76,072</u>	<u>(63,033)</u>
	<u>£64,150</u>	<u>£(178,452)</u>

Auditors' report page 3.

**READING FOOTBALL CLUB PLC**  
**NOTES TO THE ACCOUNTS**

**Principal Accounting Policies**

1. The accounting policy is to value assets at cost less depreciation.

(a) **Fixed assets**

Depreciation is calculated on the straight line basis over the useful economic life of the asset.

Equipment, floodlights, motor vehicles, furniture, freehold and leasehold property.

(b) **Stocks**

Stocks are valued at cost.

(c) **Turnover**

Turnover is recognised when the goods are delivered to the customer and the receivable is established.

(d) **Transfer fees**

Fees payable to other clubs for the transfer of players are recognised when the player is transferred.

(e) **Taxation**

Taxation is recognised in the year in which it is payable, to the extent that the differences between the accounting and tax amounts are not accumulated in accounts.



READING FOOTBALL CLUB PLC  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE, 1987

**Principal Accounting Policies**

1. The accounts have been prepared under the historical cost convention. A summary of the more important accounting policies is set out below.

(a) **Fixed assets**

Depreciation is calculated so as to write off the cost of fixed assets on a reducing balance basis over the expected useful economic lives of the assets concerned. The freehold property is written off on a straight line basis. The principal annual rates used for this purpose, which are consistent with those adopted last year, are as follows:-

	% of written down value	% of cost
Equipment	10	—
Floodlighting equipment	10	—
Motor vehicles	25	—
Furniture	10	—
Freehold buildings	—	2
Executive boxes	—	20

(b) **Stocks**

Stocks are valued at the lower of net realisable value.

(c) **Turnover**

Turnover, which excludes value added tax, represents income arising from all activities of the club excluding fees receivable from other football clubs on the transfer of players' registrations.

(d) **Transfer fees**

Fees payable to and receivable from other football clubs on the transfer of players' registrations are dealt with through the profit and loss account in the period in which the transfer takes place.

(e) **Taxation**

Taxation is based on the results for the year as adjusted for disallowable items, and for timing differences to the extent that they are unlikely to result in an actual liability in the foreseeable future. The tax effect of other timing differences as reduced by the tax benefit of any accumulated losses is treated as a deferred tax liability. Where accumulated losses exceed the liability to deferred taxation the potential deferred tax asset is not recognised in the accounts.

Auditors' report page 3.

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**READING FOOTBALL CLUB PLC**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE, 1987 (Continued)**

**Going Concern Basis**

2. The accounts have been prepared on a going concern basis which assumes the continued support of the company's bankers. Based upon projections of income and expenditure and the substantial security which the company can provide to secure borrowings, principally the ground which is conservatively worth £1,300,000 above its book value, the directors are confident that the club will have sufficient resources to sustain its activities for the foreseeable future. The directors therefore consider a going concern basis of accounting appropriate.

**Turnover and Transfer Fees**

3. The contributions of the various activities of the club to turnover are set out below:-

(a) Turnover	1987 £	1986 £
Match receipts	542,077	477,104
Other income	474,121	284,436
	<u>£1,016,198</u>	<u>£761,540</u>
(b) Transfer fees	1987 £	1986 £
Transfer fees receivable	196,000	1,499
Transfer fees paid	(144,225)	(132,113)
	<u>£51,775</u>	<u>£(130,614)</u>

**Profit/(loss) on Ordinary Activities**

4. Profit/(loss) on ordinary activities is stated after charging:-

	1987 £	1986 £
Auditors' remuneration	3,600	3,300
Depreciation of tangible fixed assets	15,772	8,567
Directors' emoluments including pension contributions:		
For management services	25,150	23,577
Loss on sales of fixed assets	—	408

Interest payable and similar charges arose on sums wholly repayable within 5 years.

**READING FOOTBALL CLUB PLC**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE, 1987 (Continued)**

**Employee Information**

- 5 (a) The average number of employees employed during the year was analysed by function as follows:

- (b) The average number of employees employed during the year was analysed by function as follows:

- (c) The number of employees employed during the year was analysed by function as follows:

**Tax on profit on ordinary activities**

6. No provision for tax on profit on ordinary activities has been made. These tax losses are available to offset against future taxable profits.

**Extraordinary Income**

7. The extraordinary income for the year was as follows:

Released from the current year's accounts

**READING FOOTBALL CLUB PLC**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE, 1987 (Continued)**

**Employee Information**

- 5 (a) The average number of persons, including executive directors, employed by the company during the year is analysed below:-

	1987 Number	1986 Number
Players	19	20
Administrative staff	18	20

- (b) Employment costs — all employees including executive directors:-

	1987 £	1986 £
Aggregate gross wages and salaries	484,728	468,820
Employers' national insurance contributions	40,685	38,940
	<u>£525,413</u>	<u>£507,760</u>

- (c) The number of employees whose remuneration, excluding pension cost, exceeds £30,000 fell within the following ranges.

	1987 Number	1986 Number
£30,001 to £35,000	1	1
	=	=

**Tax on profit on ordinary activities**

6. No provision for taxation is required since the company has computed tax losses of £775,000 (1986 - £963,000). These tax losses will be available for offset against taxable profits of the same trade in future years.

**Extraordinary Income**

7. The extraordinary income in the profit and loss account in 1986 represented:-

	1987 £	1986 £
Release of taxation provision arising from a set back of current year losses	—	14,471
	<u>£ —</u>	<u>£14,471</u>

READING FOOTBALL CLUB PLC  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE, 1987 (Continued)

**Tangible fixed assets**

8.	Freehold land and buildings	Fixtures, fittings & equipment	Floodlighting equipment	Motor vehicles	Total
COST	£	£	£	£	£
At 1 July 1986	107,846	13,448	22,695	12,905	156,894
Additions	65,640	10,536	—	11,559	87,735
Disposals	—	—	—	—	—
At 30 June 1987	<u>173,486</u>	<u>23,984</u>	<u>22,695</u>	<u>24,464</u>	<u>244,629</u>
DEPRECIATION					
At 1 July 1986	12,259	7,481	18,910	7,767	46,417
Disposals	—	—	—	—	—
Charge for year	<u>9,569</u>	<u>1,650</u>	<u>379</u>	<u>4,174</u>	<u>15,772</u>
At 30 June 1987	<u>21,828</u>	<u>9,131</u>	<u>19,289</u>	<u>11,941</u>	<u>62,189</u>
NET BOOK VALUE					
At 30 June 1987	<u>£151,658</u>	<u>£14,853</u>	<u>£3,406</u>	<u>£12,523</u>	<u>£182,440</u>
NET BOOK VALUE					
At 30 June 1986	<u>£95,587</u>	<u>£5,967</u>	<u>£3,785</u>	<u>£5,138</u>	<u>£110,477</u>

The net book value of assets held under hire purchase agreements at 30 June 1987 was £8,669 (1986 £ —). The associated depreciation for the year was £2,890 (1986 £ —).

**Stocks**

9.	1987	1986
	£	£
Outfits and equipment	4,200	1,870
Bar stocks	2,101	—
Souvenirs	<u>8,257</u>	<u>—</u>
	<u>£14,558</u>	<u>£1,870</u>

**Debtors**

10. Amounts falling due within one year:-

	1987	1986
	£	£
Trade debtors	17,473	11,309
Other debtors	151,401	34,987
Prepayments and accrued income	<u>2,645</u>	<u>291</u>
	<u>171,519</u>	<u>46,587</u>
Amounts falling due after one year:		
Other debtors	<u>—</u>	<u>4,500</u>
	<u>£171,519</u>	<u>£51,087</u>

**READING FOOTBALL CLUB PLC**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE, 1987 (Continued)**

**Creditors: amounts falling due within one year**

11.

Total		1987	1986
£		£	£
156,894	Bank loans and overdrafts (see (a) below)	53,852	130,130
87,735	Payments received on account	49,411	59,700
—	Trade creditors	15,884	23,416
244,629	Applications received in respect of rights issue	124,335	—
—	Other creditors including taxation and social security	103,181	61,714
46,417	(see (b) below)	<u>£346,663</u>	<u>£274,960</u>
15,772			
62,189			
<u>£182,440</u>			
<u>£110,477</u>			

The associated

- (a) The bank loans and overdraft are secured by a first charge on the freehold property.  
(b) Other creditors including taxation and social security is made up as follows:-

	1987	1986
	£	£
Hire purchase creditor — current portion	2,939	—
Social security and other taxes	11,798	17,526
Other creditors and accruals	88,444	44,188
	<u>£103,181</u>	<u>£61,714</u>

**Creditors: amounts falling due after more than one year**

12.

	1987	1986
	£	£
Hire purchase creditor	<u>£5,332</u>	<u>—</u>

**Called up share capital**

13.

1986		Ordinary shares of 50p each	
£		1987	1986
11,309	Authorised:		
34,987	Value	<u>£50,000</u>	<u>£50,000</u>
291	Number	<u>100,000</u>	<u>100,000</u>
46,587	Allocated, called up and fully paid:		
—	Value	<u>£25,000</u>	<u>£25,000</u>
4,500	Number	<u>50,000</u>	<u>50,000</u>
<u>£51,087</u>			

**READING FOOTBALL CLUB PLC**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE, 1987 (Continued)**

**Deferred Taxation**

14. The potential deferred tax asset at 27% (1986 29%) is in respect of the following:-

	1987 £	1986 £
Accelerated capital allowances	22,015	15,887
Trading losses carried forward	<u>(209,511)</u>	<u>(274,977)</u>
	<u>£(187,496)</u>	<u>£(259,090)</u>

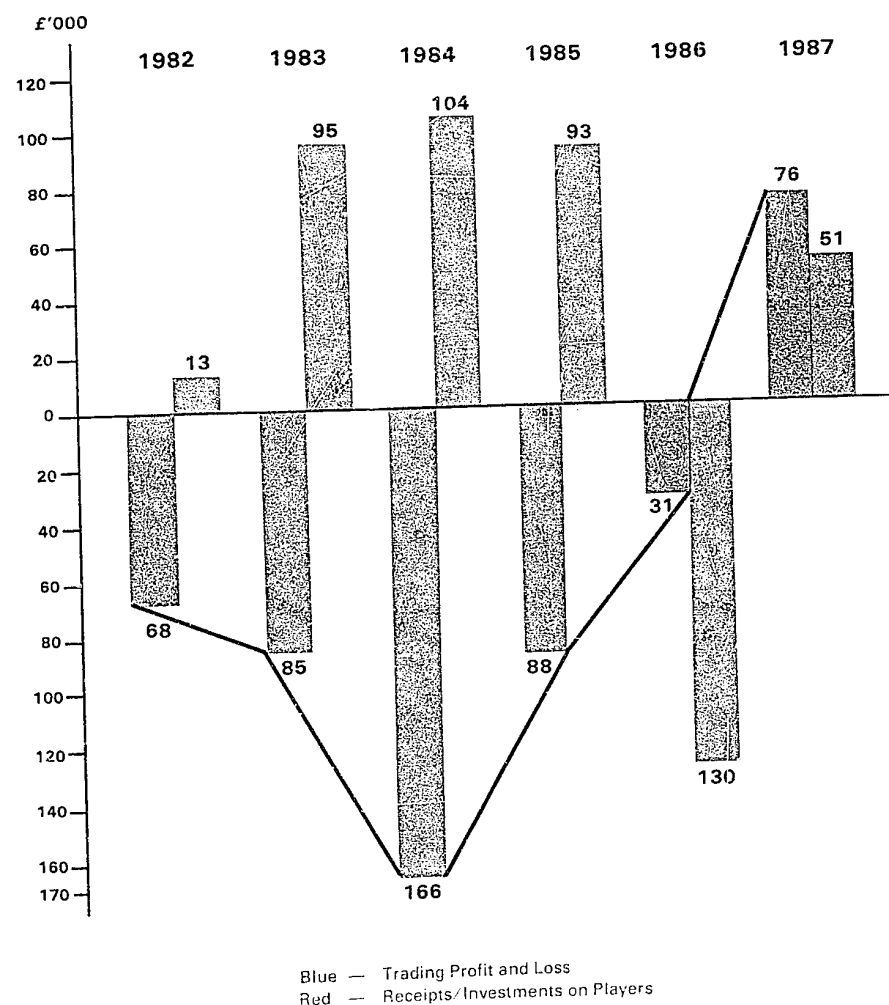
In accordance with the accounting policy of the company the potential asset is not recognised in the accounts.

**Capital Expenditure Commitments**

15. At 30 June, 1987 the company was committed to capital expenditure of approximately £300,000 (1986 £22,500) on the construction of the new clubhouse.

Auditors' report page 3.

# READING FOOTBALL CLUB PLC FINANCIAL RECORD



TA (PRINTERS) READING 55442

1986

£

15,887

(274,977)

£(259,090)

in the accounts.

(1986 £22,500) on

## **NOTICE OF ILLEGIBLE DOCUMENT ON THE MICROFICHE RECORD**

**Companies House regrets that the microfiche record for this company contains some data which is illegible.**

**The poor quality has been noted but unfortunately the steps taken to improve the quality have been unsuccessful.**

**Companies House would like to apologise for any inconvenience this may cause.**