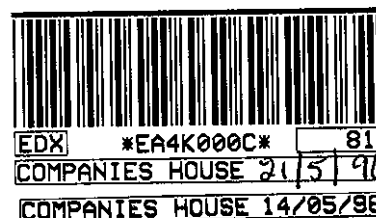


Sheffield United FC

"The Family Club"

61564



Annual Report and Accounts 1995

Directors and Officials

Board of Directors	ANTHONY MICHAEL McDONALD STEPHEN LEONARD HINCHLIFFE ARNOLD HASTINGS LAVER DEREK DOOLEY BERNARD PROCTER JOHN ANDREW PLANT, J.P. KEVIN CHARLES McCABE
Vice-President	FRANK MELLING, Dip.Arch., F.R.I.B.A.
Life Members	ARTHUR H. CONNELL, O.B.E., D.L., LL.D., M.A. ALBERT JACKSON, J.P., F.R.I.C.S. KENNETH LEE, J.P.
Secretary	DAVID CAPPER, A.F.A.
Team Manager	HOWARD KENDALL
Auditors	HOLMES, WIDLAK & GIBSON Chartered Accountants Registered Auditors 2 Paradise Street, Sheffield S1 1UE
Bankers	BARCLAYS BANK PLC PO Box No. 43 Commercial Street, Sheffield S1 1NG
Solicitors	CLEGG & SONS Mazda Buildings, Campo Lane, Sheffield S1 2EF
Registered Office	BRAMALL LANE, SHEFFIELD S2 4SU
Company Registered No.	61564 (Registered in England and Wales)



Notice of Meeting

NOTICE IS HEREBY GIVEN that the Ninety-sixth Annual General Meeting of this Company will be held in the Executive Suite, Bramall Lane, Sheffield, on Thursday, 29 February 1996 at 11.00 a.m. for the following purposes:

1. To receive the Report of the Directors and the Audited Accounts, for the year ended 30 June 1995.
2. To re-elect Directors.
3. To re-appoint the Auditors and authorise the Directors to fix their remuneration.
4. To transact any other ordinary business of the Company as may be transacted at an annual general meeting.

Note:

A member who is entitled to attend and vote at General Meetings is entitled to appoint a Proxy, who need not also be a member, to attend and vote on a poll on his behalf.

Shareholders and proxies will be admitted to the Meeting on production of the ticket enclosed with this Report.

By order of the Board

D. Capper, Secretary
Bramall Lane
Sheffield S2 4SU

6 February 1996

A Form of Proxy is enclosed. It is requested that Forms should be lodged at the Registered Office of the Company not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting, at which the person named in the Proxy proposes to vote. (N.B. Please refer to Form of Proxy for details).

Chairman's Statement

I was appointed Chairman on 7 December after joining the Board on 19 October 1995. The Financial Year, on which I report, was long concluded and many of the current board had no influence over the company's performance or the management of the football team in that period. Subsequent to the conclusion of these accounts, the majority shareholding controlled by Mr. Brealey was acquired by Texas Holdings Limited, a company of which I am also Chairman. Accordingly, the comments I make relate to the performance of the company which was under the direction of the previous board and football manager.

The accounts reveal a reduction in turnover from the previous year of approximately 20% which is down to £4,324,841. This level of turnover was insufficient to cover the expenses of the club and resulted in a loss before taxation and transfer of players registrations of £253,095 compared to a profit of £665,336, the previous year.

Plainly it was a difficult year for the club and this year also did not start well, both in financial terms and the league position. Accordingly, having taken control, I have instigated a major restructuring programme, with many new faces being brought to the club. The introduction in December of the new manager Howard Kendall and his back room staff were the first of many changes to take place. Mr. Charles Green has been seconded, from one of my group companies, to assess on my behalf the club's financial and commercial situation. It is quite evident that drastic measures need to be taken to bring the finances in check and stabilise the club.

In the former chairman's statement last year, Mr. Brealey indicated the need to build the new John Street Stand, which at that time he stated would be self financing, however with gates now at 12,000 this self financing looks unlikely. The new board of directors are committed to the success of the club and it is therefore the intention to build the stand at the earliest opportunity, once finances and the climate allow. The priority however must be to have a team that is successful and I have every confidence that our new manager will return us to winning ways.

I look forward to happier days at the club and returning Sheffield United to the Premier Division of the football league at the earliest opportunity.

A. M. McDONALD
Chairman

6 February 1996

Report of the Directors

To be presented at the Ninety-sixth Annual General Meeting of Shareholders to be held in the Executive Suite, Bramall Lane, on Thursday, 29 February, 1996 at 11.00 a.m.

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 the profit or loss 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; and
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Review and Future Developments

A review of the year's activities and future developments is contained in the Chairman's Statement.

Principal Activities

The principal activity of your Company is that of a professional football club.

Finance

The loss on ordinary activities for the year amounted to £264,167. The Directors do not recommend the payment of Preference Dividends in respect of the three years ended 7 May 1995.

Property and Other Fixed Assets

A professional valuation of the freehold land and buildings was undertaken as at 30 June 1992, and is dealt with under paragraph 6(c) of the Notes forming part of the Financial Statements.

The changes in Fixed Assets during the year are also shown in these Notes.

Directors

The Directors of the Company at 30 June 1995 were as follows:

A. H. Laver
R. J. Brealey (Resigned 7 December 1995)
D. Dooley
B. Procter
J. A. Plant

The Director retiring by rotation is Mr. J. A. Plant who, being eligible, offers himself for re-election.

The following Directors also retire in accordance with the provisions of the Articles of Association, and offer themselves for re-election:

A. M. McDonald (Appointed 19 October 1995)
S. L. Hinchliffe (Appointed 7 December 1995)
K. C. McCabe (Appointed 7 December 1995)

Report of the Directors continued

Directors and their shareholdings

Interest of directors in the shares of the Company were as follows:

	At 30 June 1995			At 30 June 1994		
	Original	Ordinary	Pref	Original	Ordinary	Pref
R. J. Brealey – As nominee for Else (1982) Limited	–	1,620	–	–	1,620	–
D. Dooley	–	1	–	–	1	–
A. H. Laver	3	103	–	3	103	–
J. Plant	1	–	–	1	–	–
B. Procter						
Beneficial Interest	4	1	20	4	1	20
Other Interest	–	343	–	–	338	–

Between 30 June 1995 and the date of this report Mr. A. H. Laver has disposed of one Ordinary Share in the Company.

Auditors

Messrs. Holmes, Wiclake & Gibson, Chartered Accountants, have indicated that they are willing to continue in office as auditors of the Company and a resolution will be submitted to the forthcoming Annual General Meeting that they be re-appointed.

By Order of the Board



D. CAPPER
Secretary

Bramall Lane
Sheffield
S2 4SU

6 February 1996

Profit and Loss Account for the year ended 30 June 1995

	Note	1995	1994
INCOME	2	4,324,841	5,430,863
Deduct: EXPENDITURE			
Football		3,674,910	3,840,761
Ground		295,769	292,155
General Administration		906,046	1,061,547
		4,876,725	5,194,463
Operating (Loss)/Profit		(551,884)	236,400
<i>Add:</i>			
Donations	1(i)	298,789	262,031
Interest on Directors' Loans –			
Prior year adjustment		–	162,392
Interest Received		–	4,513
		298,789	428,936
		(253,095)	665,336
<i>Deduct:</i>			
(Profit)/Loss on Transfers of Players' Registrations	1(c)	(128,000)	45,567
Interest Payable		139,072	98,256
Loss on Disposal of Fixed Assets		–	12,480
		11,072	156,303
(Loss)/Profit on Ordinary Activities for the year	15	(264,167)	509,033

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued in the above two financial years.

Statement of Total Recognised Gains and Losses Year ended 30 June 1995

	1995	1994
(Loss)/Profit for the financial year	(264,167)	509,033
Unrealised (deficit)/surplus on Revaluations:		
Players	(550,859)	1,659,500
Total recognised gains and (losses) for the year	(815,026)	2,168,533

The notes on pages 10 to 16 form part of these financial statements

Balance Sheet 30 June 1995

	Note	1995	1994
FIXED ASSETS			
Tangible Fixed Assets	6	11,418,313	10,339,400
Intangible Assets	7	8,320,000	8,885,000
CURRENT ASSETS			
Debtors	8	435,982	911,176
Stock in Trade	1(f)	56,738	128,641
Cash in Hand and at Bank		2,504	1,478
		495,224	1,041,295
CREDITORS			
(Amounts falling due within one year)	9	(4,231,816)	(3,822,857)
NET CURRENT (LIABILITIES)			
		(3,736,592)	(2,781,562)
TOTAL ASSETS LESS CURRENT LIABILITIES			
		16,001,721	16,442,838
CREDITORS			
(Amounts falling due after more than one year)	11	(166,667)	(209,207)
NET ASSETS			
		15,835,054	16,233,631
CAPITAL AND RESERVES			
Called up Share Capital	12	1,498,330	1,498,330
Revaluation Reserve	13	9,512,708	10,033,567
Other Reserve – Grants	1(d) & 14	1,884,538	1,468,089
Accumulated Profit	15	2,939,478	3,233,645
SHAREHOLDERS' FUNDS			
	16	15,835,054	16,233,631

Approved by the Board on 6 February 1996

A. M. McDONALD

A. H. LAVER

Directors

The notes on pages 10 to 16 form part of these financial statements

Cash Flow Statement for the year ended 30 June 1995

	Note	1995	1994
NET CASH INFLOW FROM OPERATING ACTIVITIES	20(1)	103,517	47,821
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest Received		-	4,513
Interest Paid		<u>(139,692)</u>	<u>(145,551)</u>
NET CASH (OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(139,692)	(141,038)
TRANSFER FEES			
Transfer Fees Received		1,194,250	3,305,683
Transfer Fees Paid		<u>(965,011)</u>	<u>(1,801,333)</u>
NET CASH INFLOW FROM TRANSFER FEES		229,239	1,504,350
INVESTING ACTIVITIES			
Payments to acquire fixed assets		(989,369)	(361,390)
Grants received towards fixed assets		416,449	13,360
		<u>(572,920)</u>	<u>(348,030)</u>
Receipts from sale of fixed assets		-	<u>(9,000)</u>
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		(572,920)	(357,030)
NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(379,856)	1,054,103
FINANCING			
Bank Loans (Repaid)		-	(225,000)
Other Loans (Repaid)		<u>(530,859)</u>	<u>(678,784)</u>
NET CASH (OUTFLOW) FROM FINANCING	20(4)	(530,859)	(903,784)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	20(2)	(910,715)	150,319

The notes on pages 10 to 16 form part of these financial statements

Auditors' Report to the Members of The Sheffield United Football Club Limited

We have audited the financial statements on pages 6 to 16 which have been prepared on the basis of the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our 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.

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 mis-statement, 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 of the state of affairs of the company as at 30 June 1995 and of the company's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Holmes, Widdlake & Gibson
Holmes, Widdlake & Gibson

Chartered Accountants
Registered Auditors
Sheffield

6 February 1996

Notes forming part of the Financial Statements for the year ended 30 June 1995

1. ACCOUNTING POLICIES

(a) **Basis of Accounting**

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, and inclusion in the Balance Sheet of the valuation of players at 30 June 1995.

These have been prepared on a going concern basis. Whilst these Accounts show a net current liability position the Directors believe that the basis is appropriate as the Company has adequate facilities to meet its obligations as they fall due.

(b) **Intangible Assets**

The Directors consider that the Balance Sheet should include the transfer values of players on the books of the Club, and the players were valued at 30 June 1995 by Mr. D. T. Bassett, the then team manager, on that basis. His valuation at that date of £8,320,000, approved and certified by the Directors, is shown under the heading of "Intangible Assets". Any increase in value is dealt with in the Transfer to Revaluation Reserve.

(c) **Transfer Fees**

All transfer fees payable in the year have been shown as additions to "Intangible Assets" (Note 7). The valuations of players sold in the year have been deducted from this account, any resultant profit or loss on sale being reflected in the profit and loss account.

(d) **Land and Buildings and Grants**

All additions to Land and Buildings in the year have been shown at their gross cost. Grants from the Football Trust towards this expenditure have been shown under a separate heading – "Other Reserve – Grants".

(e) **Depreciation**

The Freehold ground and buildings at Bramall Lane have not been depreciated. In the opinion of the Directors these are maintained to a high standard to comply with the requirements of the Safety of Sports Grounds Act 1975, and no provision for depreciation is necessary.

The equipment and vehicles are being written off at varying rates over their estimated useful lives.

(f) **Stock in Trade**

Stock has been valued at the lower of cost or net realisable value.

(g) **Leasing and Hire Purchase Commitments**

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

(h) **Income**

Income comprises net gate and ticket receipts, sports contracts, television and sponsorship revenue, shop, programme and rental income.

(i) **Donations**

Donations received from the Development Fund and other sources have been credited to the Profit and Loss Account.

(j) **Pension contributions**

The company operates a defined contribution pension scheme for certain employees. The charge for the year in the profit and loss account represents sums payable to the scheme.

Notes forming part of the Financial Statements for the year ended 30 June 1995 continued

2. INCOME	1995	1994
Football Income	2,330,368	3,082,399
Commercial and Other Income	1,994,473	2,348,464
	<u>4,324,841</u>	<u>5,430,863</u>
3. PROFIT ON ORDINARY ACTIVITIES		
This is stated after charging or (crediting) the following:		
Interest Payable –		
Bank Interest	130,777	81,194
Hire Purchase Interest	3,360	3,360
Directors' Loan Interest	–	(162,392)
Caythorpe Properties Limited Interest	–	6,667
Other Interest	4,935	7,035
	<u>139,072</u>	<u>(64,136)</u>
Interest Receivable – Bank Interest	–	(4,513)
Auditors' Remuneration	9,000	8,750
Leasing Charges	61,430	69,448
4. STAFF COSTS		
(a) Staff Costs Comprise:		
Wages and Salaries	2,793,619	2,726,804
Social Security Costs	258,991	266,595
Other Pension Costs	34,043	106,611
Directors' Remuneration	58,653	33,542
Directors' Pension Costs	–	12,296
	<u>3,145,306</u>	<u>3,145,848</u>
(b) Directors		
The emoluments of the Directors of the Company for the year were £58,653 (1994 £33,542). The Chairman did not receive any emoluments during the year (1994 Nil). The emoluments of the highest paid director were £58,653 (1994 £33,542).		
Other directors emoluments were in the following ranges:		
	1995	1994
£0-£5,000 (All Nil)	4	5

Notes forming part of the Financial Statements for the year ended 30 June 1995 continued

5. TAXATION

There is no charge to corporation tax for the year. Subject to agreement with the Inland Revenue there are corporation tax losses to carry forward amounting to approximately £4,600,000 (1994 £3,800,000).

The Special Compliance Office of the Inland Revenue has commenced an investigation into the affairs of Football Clubs. The Directors have prepared and submitted a Report in accordance with the Agreement between the Club and the Inland Revenue.

6. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Equipment and Vehicles	1995 Total
(a) At Cost or Valuation			
Balance 1 July 1994 –			
At Valuation	9,480,000	–	9,480,000
At Cost	534,963	1,036,046	1,571,009
Additions (Note 1(d))	1,182,773	29,512	1,212,285
Balance 30 June 1995	<u>11,197,736</u>	<u>1,065,558</u>	<u>12,263,294</u>
(b) Accumulated Depreciation			
At 1 July 1994		711,609	711,609
Charge for the year		133,372	133,372
Balance 30 June 1995		<u>844,981</u>	<u>844,981</u>
Net Book Value			
At 30 June 1995	<u>11,197,736</u>	<u>220,577</u>	<u>11,418,313</u>
At 30 June 1994	<u>10,014,963</u>	<u>324,437</u>	<u>10,339,400</u>

- (c) A professional valuation of the freehold land and buildings comprising the whole site at Bramall Lane was carried out by Messrs. Lambert Smith Hampton as at 30 June 1992. The valuation of £9,480,000 was made on the basis of its depreciated replacement cost.

No provision has been made in these Accounts for any potential tax charge which may arise on sale.

- (d) The net book value of equipment and vehicles includes an amount of £33,948 (1994 £56,414) in respect of assets held under finance leases and hire purchase contracts. The depreciation for the year in respect of these assets amounted to £14,216 (1994 £24,305)

- (e) Negotiations have recently been agreed with Chase Montagu Ltd. (a company controlled by S L Hinchliffe) to re-purchase the leasehold interest in the plot of land fronting to Shoreham Street, Sheffield of which the club is the freeholder.

Exchange of contracts with Chase Montagu Ltd. is imminent and completion is scheduled to occur within fourteen days of practical completion of the works to the new John Street stand.

Notes forming part of the Financial Statements for the year ended 30 June 1995 continued

7. INTANGIBLE ASSETS	1995	1994
Players at Valuation 1 July 1994	8,885,000	8,800,000
Additions at cost	810,859	2,000,500
Disposals at Valuation	(825,000)	(3,575,000)
	8,870,859	7,225,500
 (Decrease)/Increase in revaluation transferred to Revaluation Reserve ~ Note 13	(550,859)	1,659,500
Balance 30 June 1995	8,320,000	8,885,000
 Cost of Players	4,268,859	4,313,000
Increase on Revaluation	4,051,141	4,572,000
	8,320,000	8,885,000
8. DEBTORS		
Trade Debtors	131,868	499,375
Prepayments and Accrued Income	304,114	411,801
	435,982	911,176
9. CREDITORS (Amounts falling due within one year)		
Bank Loans and Overdrafts (Note 10)	1,708,564	796,823
Loans (Unsecured)		
Other Loans	-	378,000
Directors	-	100,000
Loan (Secured)	25,000	25,000
Trade Creditors	1,039,903	852,401
Accruals and Deferred Income	1,006,500	1,343,218
Other Creditors including Taxation and Social Security	451,849	327,415
	4,231,816	3,822,857
10. BANK LOANS AND OVERDRAFTS		
Barclays Bank plc (Secured)	1,262,128	350,387
Midland Bank plc (Secured)	433,936	433,936
National Westminster Bank plc (Unsecured)	12,500	12,500
	1,708,564	796,823

- (a) The Midland Bank plc Loan Account is in the joint names of a Director and The Sheffield United Football Club Limited. The interest on the loan is payable by the Club.
- (b) Barclays Bank plc at 30 June 1995 held, as security for Loans and Overdraft in notes 9 and 10, a debenture and a first legal charge over the deeds of the freehold property known as Bramall Lane Football Ground.

Notes forming part of the Financial Statements for the year ended 30 June 1995 continued

11. CREDITORS (Amounts falling due after more than one year)	1995	1994
Hire Purchase Accounts	-	17,540
Other Loan (Secured – see below)	166,667	191,667
	<u>166,667</u>	<u>209,207</u>

The loan of £166,667 is part of a total loan of £191,667 and is secured by a second legal charge over the deeds of the freehold property known as Bramall Lane Football Ground.

12. CALLED UP SHARE CAPITAL	1995		1994	
	Authorised	Issued	Authorised	Issued
Original Shares of £100 each fully paid	47,700	47,700	47,700	47,700
Ordinary Shares of £500 each fully paid	1,441,500	1,441,500	1,441,500	1,441,500
Preference Shares of £10 each fully paid	10,460	9,130	10,460	9,130
	<u>1,499,660</u>	<u>1,498,330</u>	<u>1,499,660</u>	<u>1,498,330</u>

In the event of a winding up of the company, holders of all issued share capital are entitled to a maximum distribution of the amounts originally paid on those shares. Consequently, the whole of the issued share capital meets the definition of non-equity share capital as defined by Financial Reporting Standard Number 4.

13. REVALUATION RESERVE	1995			1994
	Land & Buildings	Players	Total	Total
Balance 1 July 1994	5,461,567	4,572,000	10,033,567	10,987,067
Add:				
(Deficit)/Surplus on Revaluation of Players (Note 7)	-	(550,859)	(550,859)	1,659,500
Transfer from Profit and Loss Account (Note 15)	-	30,000	30,000	(2,613,000)
Balance 30 June 1995	<u>5,461,567</u>	<u>4,051,141</u>	<u>9,512,708</u>	<u>10,033,567</u>

14. OTHER RESERVES – GRANTS	1995	1994
Balance 1 July 1994	1,468,089	1,454,729
Add: Amounts receivable in the year	416,449	13,360
Balance 30 June 1995	<u>1,884,538</u>	<u>1,468,089</u>

15. PROFIT AND LOSS ACCOUNT		
Balance 1 July 1994	3,233,645	111,612
(Loss)/Profit for the year	(264,167)	509,033
Transfer to Revaluation Reserve (Note 13)	(30,000)	2,613,000
Balance 30 June 1995	<u>2,939,478</u>	<u>3,233,645</u>

Notes forming part of the Financial Statements for the year ended 30 June 1995 continued

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	1995	1994
(Loss)/Profit for the financial year	(264,167)	509,033
Other recognised gains and (losses) for the year	(550,859)	1,659,500
Grants Receivable in the year	416,449	13,360
	<u>(398,577)</u>	<u>2,181,893</u>
Opening Shareholders Funds	16,233,631	14,051,738
Closing Shareholders Funds	<u>15,835,054</u>	<u>16,233,631</u>

17. CAPITAL COMMITMENTS

No provision has been made in the Accounts for the following capital expenditure:

Contracts placed to an approximate value of	3,838,270	750,532
Expenditure authorised by the Board, contracts for which have not been placed	Nil	Nil

18. CONTRACT COMMITMENTS

Commitments in respect of deferred signing on fees due to players under contract at the year end and not provided in the Accounts amounted to £406,100 (1994 – £503,001).

19. PREFERENCE DIVIDENDS

Dividends of £1,438 on the Preference Shares are in arrear in respect of the three years ended 7 May 1995.

20. NOTES TO THE CASH FLOW STATEMENT

1. Reconciliation of Operating profit to net cash inflow from operating activities:

	1995	1994
Operating (Loss)/Profit	(551,884)	236,400
Depreciation Charges	133,372	149,884
Donations	298,789	262,031
Decrease/(Increase) in Stock	71,903	(53,672)
Decrease/(Increase) in Operating Debtors	233,944	(128,788)
(Decrease) in Operating Creditors	(82,607)	(418,034)
Net Cash Inflow from Operating Activities	<u>103,517</u>	<u>47,821</u>

2. Analysis of changes in cash and cash inflow during the year

	1995	1994
Opening Balance	(348,909)	(499,228)
Net Cash (Outflow)/Inflow	(910,715)	150,319
Closing Balance	<u>(1,259,624)</u>	<u>(348,909)</u>

Notes forming part of the Financial Statements for the year ended 30 June 1995 continued

3. Analysis of the balances of cash and cash equivalents as shown in the balance sheet.

	1995	1994	Charge in the Year
Cash at Bank and in Hand	2,504	1,478	1,026
Bank Overdrafts	(1,262,128)	(350,387)	(911,741)
	<u>(1,259,624)</u>	<u>(348,909)</u>	<u>(910,715)</u>
		1993	
Cash at Bank and in Hand		15,460	
Bank Overdrafts		(514,688)	
		<u>(499,228)</u>	

4. Analysis of changes in financing during the year

	1995 Loans	1994 Loans
Balance at 1 July 1994	1,186,502	2,090,286
Cash (Outflow) from financing	(530,859)	(903,784)
Balance at 30 June 1995	<u>655,643</u>	<u>1,186,502</u>

21. EMPLOYEES

The average number of persons employed by the Company was as follows:

	Full Time	Part Time	Total
1995	111	12	123
1994	102	12	114

22. ULTIMATE PARENT COMPANY

The Directors consider that at 30 June 1995 the ultimate parent company was Else (1982) Limited, a company incorporated in Gibraltar. This status ceased on 11 January 1996.

The Directors consider that as from 24 January 1996 the ultimate parent company is Texas Holdings Limited, a company incorporated in England.

23. SUBSEQUENT EVENTS

Players

- (a) Subsequent to 30 June 1995 the Company purchased players for £1,807,500 and sold players for £2,180,500.

(b) European Transfer Fees

The Directors are aware of the opinion expressed in the 'Bosman' case on the subject of European transfer fees.

Any implications which may affect the Club will be considered following the hearing of the case by the European Court of Justice.

24. CONTINGENT LIABILITIES

- (a) There is a contingent liability to pay up to a maximum sum of £150,000 should any land, owned by the Club be sold.
- (b) The settlement agreement between the Club and the Trustee in Bankruptcy of Mr. P. G. Woolhouse remains in force. This is conditional upon no new information becoming available. The Directors are not aware of any new information which might affect the situation.
- (c) The club is in dispute with regard to a claim for consultancy fees of approximately £70,000. The Directors do not accept that the club has any liability in respect of this claim and no provision has been made in these Accounts.