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**BATH CITY FOOTBALL CLUB LIMITED**

Company Number - 176565

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST MAY 1997**



**Rawlinson & Co**  
**Chartered Accountants**  
**Registered Auditors**  
**Midland House**  
**30 James Street West**  
**Bath**

**BATH CITY FOOTBALL CLUB LIMITED**

**REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED**

**31ST MAY 1997**

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# BATH CITY FOOTBALL CLUB LIMITED

## REPORT OF THE DIRECTORS

For the year ended 31st May 1997

The directors submit their Annual Report to the members, together with the audited Statement of Accounts for the year ended 31st May 1997.

### Principal Activities

The principal activities of the company are to promote the game of association football and the associated commercial and social supporting activities.

### Directors

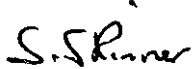
The directors during the year ended 31st May 1997 are set out below and, for directors at the end of the year, their beneficial interests in shares in the company at the end and at the commencement of the year were:

	£1 Ordinary Shares	
	1997	1996
Mr R C Stock	1,125	1,125
Mr D F Turner	2,500	2,500
Mr I J Prosser	1,000	1,000
Mr R C Twyford	1,000	1,000
Mr L J Kew	2,000	-
Mr O W Newland (appointed 12th November 1996)	-	-
Mr A B J Page (appointed 1st July 1996, resigned 5th August 1996)	2,000 S. Skinner	2,000 S. Skinner

### Auditors

The auditors, Rawlinson and Co, Chartered Accountants, are eligible and willing to stand for re-appointment in accordance with Section 385 of the Companies Act 1985.

By Order of the Board

Signed  .....  
S SKINNER  
Secretary

## **BATH CITY FOOTBALL CLUB LIMITED**

### **STATEMENT OF THE DIRECTORS' RESPONSIBILITIES**

**For the year ended 31st May 1997**

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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 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;
- 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.

**BATH CITY FOOTBALL CLUB LIMITED**

**REPORT OF THE AUDITOR**

**TO THE MEMBERS OF**

**BATH CITY FOOTBALL CLUB LIMITED**

We have audited the financial statements on Pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on Page 6.

**Respective responsibilities of directors and auditors**

As described on Page 2 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 have 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 Accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the Accounts, 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 Accounts 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 Accounts.

**Fundamental Uncertainty**

In forming our opinion, we have considered the adequacy of the disclosures made in the Accounts concerning the actions that are being taken to return the company to profitability and to ensure that future funding is available. The Accounts do not include any adjustments that would result from the failure of these actions. Details of the circumstances relating to this fundamental uncertainty are described in note 1. Our opinion is not qualified in this respect.

**Opinion**

In our opinion the Accounts give a true and fair view of the state of affairs of the company as at 31st May 1997 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**RAWLINSON & CO.**

Midland House

30 James Street West

Bath

15th September 1998

**BATH CITY FOOTBALL CLUB LIMITED****PROFIT AND LOSS ACCOUNT****For the year ended 31st May 1997**

	Note		1996
Turnover	3	336,197	494,200
<b>LESS</b> Cost of Sales		82,097	110,425
		<u>254,100</u>	<u>383,775</u>
Staff costs	4	169,265	274,444
Depreciation		15,825	15,270
Other operating charges		175,608	182,321
		<u>360,698</u>	<u>472,035</u>
Operating loss	5	<u>(106,598)</u>	<u>(88,260)</u>
Interest receivable		425	38
		<u>(106,173)</u>	<u>(88,222)</u>
Interest payable	6	14,805	18,838
		<u>(120,978)</u>	<u>(107,060)</u>
Taxation	7	427	-
<b>NET LOSS FOR THE YEAR</b>	13	<u><u>£ (121,405)</u></u>	<u><u>£ (107,060)</u></u>

The company has no recognised gains or losses other than the loss for the year.

The Notes on pages 6 to 9 form part of these accounts.

# BATH CITY FOOTBALL CLUB LIMITED

## BALANCE SHEET 31ST MAY 1997

	Note		1996
<b>TANGIBLE FIXED ASSETS</b>			
Freehold property - Twerton Park	8	318,896	326,143
Ground equipment, furniture and fittings	8	38,272	41,311
		<u>357,168</u>	<u>367,454</u>
<b>CURRENT ASSETS</b>			
Stocks		4,533	6,845
Debtors	9	9,208	50,034
Cash at bank and in hand		7,448	2,747
		<u>21,189</u>	<u>59,626</u>
<b>CREDITORS: Amounts falling due within one year</b>			
	10	101,466	244,277
		<u>(80,277)</u>	<u>(184,651)</u>
<b>CREDITORS: Amounts falling due after more than one year</b>			
	11	216,982	98,714
		<u>(297,259)</u>	<u>(283,365)</u>
		<u>£ 59,909</u>	<u>£ 84,089</u>
<b>CAPITAL AND RESERVES</b>			
Called up Share Capital	12	156,576	59,351
Revaluation Reserve	13	44,634	45,648
Profit and Loss Account	13	(141,301)	(20,910)
	14	<u>£ 59,909</u>	<u>£ 84,089</u>

*S. S. Rimmer*  
.....)

) DIRECTORS

*[Signature]*  
.....)

Approved by the Board of Directors on 14th September 1998.

The Notes on pages 6 to 9 form part of these Accounts.

# **BATH CITY FOOTBALL CLUB LIMITED**

## **NOTES TO THE ACCOUNTS**

**For the year ended 31st May 1997**

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### **1. Basis of preparing the accounts**

The directors have prepared forecasts covering the two years after the balance sheet date and this incorporates proposed actions with a view to placing the company on a profitable basis. They have also agreed with various substantial overdue creditors a timetable for payment. Based on these forecasts and agreements and discussions with the company's bankers the directors consider that the company will continue to operate within the facilities agreed.

On this basis the directors consider it appropriate to prepare the accounts on a going concern basis. The accounts do not include any adjustments that would result from a withdrawal of the banking facilities.

### **2. Accounting Policies**

#### **(a) Accounting Convention**

The financial statements have been prepared under the historical cost convention, except for certain fixed assets which are included at valuation.

#### **(b) Fixed Assets**

Fixed assets are stated at cost or valuation less accumulated depreciation. Depreciation is provided on the cost or valuation in order to write off those assets on a straight line basis over their anticipated useful lives, as follows:-

Freehold property	2% per annum
Ground equipment, office furniture and fittings	10% per annum

#### **(c) Stocks**

Stocks are stated at the lower of cost or net realisable value and represent goods purchased for resale in the Social Club and Club Shop.

#### **(d) Leasing**

The company has various rental agreements, most of which are operating leases. All payments under these rental agreements are charged to expenses in the year the expenditure is incurred.

#### **(e) Cash Flow Statement**

The company qualifies as a small company under the Companies Act 1985. The directors have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

### **3. Turnover**

Turnover represents income from football activities comprising gate receipts, commercial activities and income from the social club, all net of VAT.



**BATH CITY FOOTBALL CLUB LIMITED****NOTES TO THE ACCOUNTS****For the year ended 31st May 1997 Continued****4. Staff Costs**

		<b>1996</b>
Wages and salaries	160,057	258,169
Social Security costs	9,208	16,275
	<u>          </u>	<u>          </u>
	£ 169,265	£274,444
	<u>          </u>	<u>          </u>

**5. Operating Loss**

This is stated after charging:

Directors' remuneration	-	£10,400
Auditors' remuneration	£ 3,000	£ 6,900

**6. Interest Payable**

Interest on bank loan	10,925	10,658
Other interest and charges	3,880	8,180
	<u>          </u>	<u>          </u>
	£ 14,805	£ 18,838
	<u>          </u>	<u>          </u>

**7. Taxation**

No liability to Corporation Tax is expected to arise. The balance of £427 on the Corporation Tax account has been written off.

**8. Tangible Fixed Assets**

	<b>Total</b>	<b>Ground Furniture &amp; Fittings</b>	<b>Freehold Property</b>
<b>Cost or Valuation</b>			
At 1st June 1996	442,613	80,233	362,380
Additions	5,540	5,540	-
	<u>          </u>	<u>          </u>	<u>          </u>
At 31st May 1997	£448,153	£ 85,773	£362,380
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>			
At 1st June 1996	75,160	38,923	36,237
Charge for the year	15,825	8,578	7,247
	<u>          </u>	<u>          </u>	<u>          </u>
At 31st May 1997	£ 90,985	£ 47,501	£ 43,484
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net Book Value at 31.5.97</b>	£357,168	£ 38,272	£318,896
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net Book Value at 31.5.96</b>	£367,454	£ 41,311	£326,143
	<u>          </u>	<u>          </u>	<u>          </u>

# BATH CITY FOOTBALL CLUB LIMITED

## NOTES TO THE ACCOUNTS

For the year ended 31st May 1997 Continued

<b>9. Debtors</b>		<b>1996</b>
Trade debtors	9,208	21,754
Debtors and prepayments	-	28,280
	<u>£ 9,208</u>	<u>£ 50,034</u>

### 10. Creditors: Amounts falling due within one year

Current instalments due on long-term loans	6,544	8,103
Advance payments	13,225	-
Directors' loans	-	1,825
Trade creditors	42,602	44,932
Inland Revenue	23,201	76,695
Value Added Tax	10,567	27,481
Accruals	5,327	58,159
Bank overdraft	-	27,082
	<u>£101,466</u>	<u>£244,277</u>

### 11. Creditors: Amounts falling due after more than one year

(a) At 31st May 1997 the company had loans outstanding as follows:-

Bass Wales & West	7,765	7,765
National Westminster Bank plc	123,217	90,949
Corporate Equity Limited	86,000	-
	<u>£216,982</u>	<u>£ 98,714</u>

(b) The terms of the above loans are as follows:-

- (i) The Bass Wales & West Loan is secured by a mortgage on the freehold property and is repayable in not more than ten years. Provided that the company meets purchasing targets, the loan is interest free and a discount is granted to repay the loan.
- (ii) In August 1992 the company took out a bank loan of £120,000 repayable over 15 years by equal monthly instalments, or on demand, secured by a mortgage on the freehold property. During the two years ended 31st May 1997 the company received further advances of £7,500 and £25,000 respectively.
- (iii) The loan from Corporate Equity Limited is repayable not later than 12th February 2004.

# BATH CITY FOOTBALL CLUB LIMITED

## NOTES TO THE ACCOUNTS

For the year ended 31st May 1997 Continued

### 12. Called Up Share Capital

	1997	1996
(a) Authorised		
200,000 Ordinary shares of £1 each	£200,000	£100,000

At an Extraordinary General Meeting held on 9th October 1996 the authorised share capital was increased to £200,000.

Issued		
156,576 Ordinary shares of £1 each, fully paid	£156,576	£ 59,351

- (b) During the year ended 31st May 1997 97,225 (1996 - 11,275) Ordinary shares of £1 each, with an aggregate nominal value of £97,225 (1996 - £11,275) were issued fully paid, for cash, in order to raise further funds for the continuing operations of the company. 94,000 of these shares were issued to Corporate Equity Limited.

### 13. Reserves

(a) Revaluation Reserve		
Balance beginning of year	45,648	46,662
Depreciation of revalued element of fixed assets in the year	(1,014)	(1,014)
Balance end of year	£ 44,634	£ 45,648

(b) Profit and Loss Account		
Balance beginning of year	(20,910)	85,136
Loss for the year	(121,405)	(107,060)
Depreciation of revalued element of fixed assets in the year	1,014	1,014
Balance end of year (Deficiency)	£(141,301)	£ (20,910)

### 14. Reconciliation of movements in shareholders' funds

Loss for the year	(121,405)	(107,060)
New share capital subscribed	97,225	11,275
Net reduction in shareholders' funds	(24,180)	(95,785)
Opening shareholders' funds	84,089	179,874
Closing shareholders' funds	£ 59,909	£ 84,089