

SWANSEA CITY FOOTBALL 2002 LIMITED
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2009

Gerald Thomas & Co
Chartered Accountants and Statutory Auditors
Furze Bank
34 Hanover Street
Swansea
SA1 6BA

FRIDAY



L21

LRNCJHU5

26/02/2010

399

COMPANIES HOUSE

SWANSEA CITY FOOTBALL 2002 LIMITED

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2009

	Page
Company Information	1
Report of the Directors	2 to 3
Report of the Independent Auditors	4 to 5
Consolidated Profit and Loss Account	6
Consolidated Balance Sheet	7 to 8
Company Balance Sheet	9
Consolidated Cash Flow Statement	10
Notes to the Consolidated Cash Flow Statement	11 to 12
Notes to the Consolidated Financial Statements	13 to 25

SWANSEA CITY FOOTBALL 2002 LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 MAY 2009

DIRECTORS.

H Jenkins
B L Katzen
D R Morgan

SECRETARY:

A Cowie

REGISTERED OFFICE:

Liberty Stadium
Landore
Swansea
SA1 2FA

REGISTERED NUMBER:

04305508 (England and Wales)

AUDITORS:

Gerald Thomas & Co
Chartered Accountants and Statutory Auditors
Furze Bank
34 Hanover Street
Swansea
SA1 6BA

SWANSEA CITY FOOTBALL 2002 LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MAY 2009

The directors present their report with the financial statements of the company and the group for the year ended 31 May 2009

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of professional association football

REVIEW OF BUSINESS

The club completed its first season in the Football League Championship and just missed out on a play-off place, finishing in a credible 8th position

Whilst a reasonably successful FA Cup run and commercial activity produced an increase in turnover of £3,261,020 over the previous year, expenditure, particularly on the football side, grew by £3,710,778 and resulted in a net loss of £457,002 for the year (2008 £88,757)

Maximising income and protecting the wage structure in the face of increasing player market demands will continue to challenge the Board. Careful management of the risk/reward ratio in football is crucial to financial stability and ongoing success

PRINCIPLE RISKS AND UNCERTAINTIES

The directors consider that the principle risks and uncertainties facing the company are in relation to the performance of the football team. Specifically, serious injury to key players, and the subsequent effect on both team performance and market value of the player is considered to be a significant risk

Additionally, the directors consider that the threat of relegation to a lower league to be both a principle risk and uncertainty

POST BALANCE SHEET EVENTS

Subsequent to the financial year end there have been significant changes in key senior squad personnel. The company lost its football manager, assistant manager, and several backroom staff members to Wigan Athletic, a club competing in the FA Premier League. The club also sold its striker, Jason Scotland, to Wigan Athletic for significant consideration. The company has also made significant investment in its senior squad, including the signings of Nathan Dyer and Craig Beattie both for substantial consideration

The directors have also appointed Paulo Sousa as their new football manager

DIVIDENDS

No dividends will be distributed for the year ended 31 May 2009

RESEARCH AND DEVELOPMENT

The club has continued to invest in its Youth Development Programme with the objective of providing a continuous stream of talent into the senior playing squad

With the view of achieving Academy status to attract gifted local talent and expose youngsters to a higher standard of match competition, the Club has leased the RTB Landore Sports Facility from City & County of Swansea

Work on developing the complex to a standard required to obtain the Academy status will begin as soon as possible

FUTURE DEVELOPMENTS

Our aim is to consolidate our position as a Championship club and build a squad capable of achieving promotion to the Premiership as soon as possible

SWANSEA CITY FOOTBALL 2002 LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MAY 2009

DIRECTORS

The directors shown below have held office during the whole of the period from 1 June 2008 to the date of this report

H Jenkins
B L Katzen

D R Morgan resigned as director on 22nd January 2010

FINANCIAL INSTRUMENTS

The club makes little use of financial instruments in its operations. Accordingly the club has little exposure to the risks and uncertainties in relation to these instruments

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

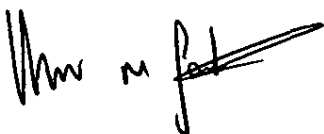
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information

ON BEHALF OF THE BOARD



H Jenkins - Director

Date 24th FEB 2010

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SWANSEA CITY FOOTBALL 2002 LIMITED

We have audited the financial statements of Swansea City Football 2002 Limited for the year ended 31 May 2009 on pages six to twenty five. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. 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 a Report of the Auditors 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

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 May 2009 and of the group's loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

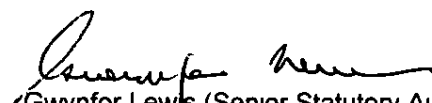
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SWANSEA CITY FOOTBALL 2002 LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Gwynfor Lewis (Senior Statutory Auditor)
for and on behalf of Gerald Thomas & Co
Chartered Accountants and Statutory Auditors
Furze Bank
34 Hanover Street
Swansea
SA1 6BA

Date

24th February 2010

SWANSEA CITY FOOTBALL 2002 LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2009

	Notes	2009 £	2008 £
TURNOVER: group and share of joint venture		10,150,934	6,838,789
Less share of joint venture's turnover		<u>(863,776)</u>	<u>(812,651)</u>
Group turnover		9,287,158	6,026,138
Administrative expenses		<u>9,847,275</u>	<u>6,136,496</u>
		(560,117)	(110,358)
Other operating income		<u>10,000</u>	<u>5,995</u>
OPERATING LOSS	3	(550,117)	(104,363)
Share of joint venture's operating loss		(318)	(750)
Share of associate's operating profit/(loss)		<u>90,242</u>	<u>(2,455)</u>
		(460,193)	(107,568)
Interest receivable and similar income	4	<u>4,362</u>	<u>17,549</u>
		(455,831)	(90,019)
Interest payable and similar charges	5	<u>1,726</u>	<u>603</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(457,557)	(90,622)
Tax on loss on ordinary activities	6	<u>4,154</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(461,711)	(90,622)
Minority interest - equity		<u>(4,691)</u>	<u>(779)</u>
DEFICIT FOR THE YEAR FOR THE GROUP		<u><u>(457,020)</u></u>	<u><u>(89,843)</u></u>

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the losses for the current year or previous year

The notes form part of these financial statements

**SWANSEA CITY FOOTBALL 2002 LIMITED (REGISTERED NUMBER:
04305508)**

**CONSOLIDATED BALANCE SHEET
31 MAY 2009**

	Notes	2009 £	2008 £
FIXED ASSETS			
Intangible assets	8	9,168	-
Tangible assets	9	341,576	313,841
Investments	10	50,001	50,001
		<u>400,745</u>	<u>363,842</u>
CURRENT ASSETS			
Stocks	11	117,079	128,667
Debtors	12	1,147,408	909,999
Cash at bank and in hand		57,173	317,489
		<u>1,321,660</u>	<u>1,356,155</u>
CREDITORS			
Amounts falling due within one year	13	<u>2,248,352</u>	<u>1,753,346</u>
NET CURRENT LIABILITIES		<u>(926,692)</u>	<u>(397,191)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(525,947)</u>	<u>(33,349)</u>
CREDITORS			
Amounts falling due after more than one year	14	(352,180)	(7,866)
PROVISIONS FOR LIABILITIES	17	(85,481)	(175,344)
ACCRUALS AND DEFERRED INCOME	18	(396,622)	(681,962)
MINORITY INTERESTS	19	18,797	14,108
NET LIABILITIES		<u>(1,341,433)</u>	<u>(884,413)</u>
CAPITAL AND RESERVES			
Called up share capital	20	960,001	960,001
Profit and loss account	21	<u>(2,301,434)</u>	<u>(1,844,414)</u>
SHAREHOLDERS' FUNDS	25	<u>(1,341,433)</u>	<u>(884,413)</u>

The notes form part of these financial statements

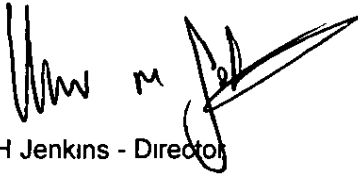
**SWANSEA CITY FOOTBALL 2002 LIMITED (REGISTERED NUMBER:
04305508)**

**CONSOLIDATED BALANCE SHEET - continued
31 MAY 2009**

The financial statements were approved by the Board of Directors on
signed on its behalf by

24 February 2010

and were

A handwritten signature in black ink, appearing to be 'H Jenkins', with a long, sweeping horizontal stroke extending to the right.

H Jenkins - Director

The notes form part of these financial statements

**SWANSEA CITY FOOTBALL 2002 LIMITED (REGISTERED NUMBER:
04305508)**

**COMPANY BALANCE SHEET
31 MAY 2009**

	Notes	£	2009	£	2008	£
FIXED ASSETS						
Intangible assets	8		-		-	
Tangible assets	9		-		-	
Investments	10		2		2	
			<u>2</u>		<u>2</u>	
CREDITORS						
Amounts falling due within one year	13	32,800		12,800		
NET CURRENT LIABILITIES			(32,800)		(12,800)	
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(32,798)</u>		<u>(12,798)</u>	
CAPITAL AND RESERVES						
Called up share capital	20		960,001		960,001	
Profit and loss account	21		(992,799)		(972,799)	
SHAREHOLDERS' FUNDS	25		<u>(32,798)</u>		<u>(12,798)</u>	

The financial statements were approved by the Board of Directors on 24th FEB 2010 and were signed on its behalf by



H Jenkins - Director

The notes form part of these financial statements

SWANSEA CITY FOOTBALL 2002 LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2009

	Notes	£	2009	£	2008	£
Net cash (outflow)/inflow from operating activities	1			(905,847)		200,439
Returns on investments and servicing of finance	2			(1,137)		13,383
Capital expenditure	2			(67,587)		(253,445)
				(974,571)		(39,623)
Financing	2			482,933		458,250
(Decrease)/Increase in cash in the period				(491,638)		418,627
<hr/>						
Reconciliation of net cash flow to movement in net funds	3					
(Decrease)/Increase in cash in the period			(491,638)		418,627	
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing			(482,933)		13,250	
Change in net funds resulting from cash flows				(974,571)		431,877
New finance leases				(29,064)		-
Movement in net funds in the period				(1,003,635)		431,877
Net funds/(debt) at 1 June				304,239		(127,638)
Net (debt)/funds at 31 May				(699,396)		304,239

The notes form part of these financial statements

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2009

1 RECONCILIATION OF OPERATING LOSS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating loss	(550,117)	(104,363)
Depreciation charges	59,748	22,386
Decrease/(Increase) in stocks	11,588	(60,525)
Increase in debtors	(237,409)	(421,278)
(Decrease)/Increase in creditors	(189,657)	764,219
Net cash (outflow)/inflow from operating activities	(905,847)	200,439

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest received	577	13,983
Interest paid	-	(600)
Interest element of hire purchase payments	(1,714)	-
Net cash (outflow)/inflow for returns on investments and servicing of finance	(1,137)	13,383
Capital expenditure		
Purchase of intangible fixed assets	(9,823)	-
Purchase of tangible fixed assets	(57,764)	(253,445)
Net cash outflow for capital expenditure	(67,587)	(253,445)
Financing		
New loans in year	503,000	-
Loan repayments in year	(13,250)	(13,250)
Capital repayments in year	(6,817)	-
Share issue	-	471,500
Net cash inflow from financing	482,933	458,250

The notes form part of these financial statements

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2009

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1/6/08 £	Cash flow £	Other non-cash changes £	At 31/5/09 £
Net cash				
Cash at bank and in hand	317,489	(260,316)		57,173
Bank overdraft	-	(231,322)		(231,322)
	<u>317,489</u>	<u>(491,638)</u>		<u>(174,149)</u>
Debt				
Hire purchase	-	6,817	(29,064)	(22,247)
Debts falling due within one year	(13,250)	(154,550)	-	(167,800)
Debts falling due after one year	-	(335,200)	-	(335,200)
	<u>(13,250)</u>	<u>(482,933)</u>	<u>(29,064)</u>	<u>(525,247)</u>
Total	<u>304,239</u>	<u>(974,571)</u>	<u>(29,064)</u>	<u>(699,396)</u>

The notes form part of these financial statements

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2009

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and prior financial period, are described below

Basis of consolidation

The consolidated financial statements incorporate those of the company and its subsidiary undertakings

Associates

Transactions resulting from associates have been treated in accordance with FRS 9, "Associates and Joint Ventures". The group's share of the profit or loss of the associates are included in the consolidated profit and loss account, its share of the associates' net assets are included in the consolidated balance sheet within investments, and its share of the net liabilities is included in provisions in the consolidated balance sheet

Turnover and revenue recognition

Turnover is the revenue derived from ordinary activities and stated after trade discounts, other sales taxes and net of VAT. Revenue is recognised when the underlying event or service sold takes place

Patents and licenses

Patents and licenses owned by the group are amortised on a straight line basis over a ten year period. The amortisation period selected is based on the length of time which is covered by the patents and licenses. Provision is made for any impairment

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Short leasehold	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 33 3% on cost

No depreciation has been provided on assets that have not been brought into use by the balance sheet date

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes purchase price less discounts where applicable. Net realisable value is based on estimated selling price. Provision is made for obsolete and slow moving items where appropriate

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

1 ACCOUNTING POLICIES - continued

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not yet reversed at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on a non-discounted basis

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

Regular pension costs relate to contributions made by the group to private pension schemes, the costs of which are recognised in the profit and loss account in the period to which they relate.

A provision has also been made to cover the group's share of the liabilities of the Football League Limited Pension and Life Assurance Scheme. This is a defined benefit scheme which has been closed to new contributions since 31 August 1995.

Transfer fees

Net transfer fees are recognised in the profit and loss account in the period in which they are incurred.

Fixed asset investments

Fixed asset investments are stated at cost less any provision for diminution in value.

Going concern

The group has recorded a loss for the year, and has net liabilities at the balance sheet date. The group is reliant on the support of its consortium members, to provide loans to assist the group at times when cash flow is under pressure. The consortium members plan to continue to support the group in this way until such time that the group is generating sufficient profits to fund working capital requirements where necessary. As a consequence, the directors believe that the group is well placed to address the net current liability position going forward. Accordingly, the directors continue to adopt the going concern basis in preparing the group financial statements.

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

2 STAFF COSTS

	2009 £	2008 £
Wages and salaries	5,617,223	4,073,653
Social security costs	638,852	462,384
Other pension costs	2,053	2,672
	<u>6,258,128</u>	<u>4,538,709</u>

The average monthly number of employees during the year was as follows

	2009	2008
Football	86	75
Administration	5	5
Commercial	8	6
Media	3	1
	<u>102</u>	<u>87</u>

3 OPERATING LOSS

The operating loss is stated after charging/(crediting)

	2009 £	2008 £
Depreciation - owned assets	49,744	22,386
Depreciation - assets on hire purchase contracts	9,349	-
Patents and licences amortisation	655	-
Auditors' remuneration	5,000	5,000
Net transfer fee expense/(income)	<u>487,216</u>	<u>(800,556)</u>
Directors' remuneration	<u>-</u>	<u>-</u>

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	2009 £	2008 £
Deposit account interest	259	13,203
Share of joint venture's interest receivable	318	-
Share of associate's interest receivable	<u>3,785</u>	<u>4,346</u>
	<u>4,362</u>	<u>17,549</u>

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Bank interest	-	251
Interest on overdue tax	-	349
Share of associate's interest payable	12	3
Hire purchase	1,714	-
	<u>1,726</u>	<u>603</u>

6 TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the year was as follows

	2009 £	2008 £
Current tax		
Corporation tax - share of associate	4,154	-
Tax on loss on ordinary activities	<u>4,154</u>	<u>-</u>

7 LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(20,000) (2008 - £(128,784)).

8 INTANGIBLE FIXED ASSETS

Group

	Patents and licences £
COST	
Additions	9,823
At 31 May 2009	<u>9,823</u>
AMORTISATION	
Amortisation for year	655
At 31 May 2009	<u>655</u>
NET BOOK VALUE	
At 31 May 2009	<u>9,168</u>

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

9 TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Assets under construction £	Plant and machinery £
COST			
At 1 June 2008	269,091	-	18,726
Additions	8,326	9,865	25,918
At 31 May 2009	<u>277,417</u>	<u>9,865</u>	<u>44,644</u>
DEPRECIATION			
At 1 June 2008	-	-	14,864
Charge for year	27,742	-	6,725
At 31 May 2009	<u>27,742</u>	<u>-</u>	<u>21,589</u>
NET BOOK VALUE			
At 31 May 2009	<u>249,675</u>	<u>9,865</u>	<u>23,055</u>
At 31 May 2008	<u>269,091</u>	<u>-</u>	<u>3,862</u>
	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 June 2008	79,444	9,362	376,623
Additions	30,224	12,495	86,828
At 31 May 2009	<u>109,668</u>	<u>21,857</u>	<u>463,451</u>
DEPRECIATION			
At 1 June 2008	41,675	6,243	62,782
Charge for year	17,342	7,284	59,093
At 31 May 2009	<u>59,017</u>	<u>13,527</u>	<u>121,875</u>
NET BOOK VALUE			
At 31 May 2009	<u>50,651</u>	<u>8,330</u>	<u>341,576</u>
At 31 May 2008	<u>37,769</u>	<u>3,119</u>	<u>313,841</u>

The net book value of tangible fixed assets includes £29,064 in respect of assets held under hire purchase contracts

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

10 FIXED ASSET INVESTMENTS

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Shares in group undertakings	-	-	1	1
Loans to group undertakings	-	-	1	1
Other investments not loans	50,001	50,001	-	-
	<u>50,001</u>	<u>50,001</u>	<u>2</u>	<u>2</u>

Additional information is as follows

Group

	Unlisted investments £
COST	
At 1 June 2008 and 31 May 2009	<u>50,001</u>
NET BOOK VALUE	
At 31 May 2009	<u>50,001</u>
At 31 May 2008	<u>50,001</u>

Company

	Shares in group undertakings £
COST	
At 1 June 2008 and 31 May 2009	<u>20,282</u>
PROVISIONS	
At 1 June 2008 and 31 May 2009	<u>20,281</u>
NET BOOK VALUE	
At 31 May 2009	<u>1</u>
At 31 May 2008	<u>1</u>

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

10 FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

Swansea City Football Club Limited

Nature of business Dormant company

	%
Class of shares	holding
Ordinary £1 shares	99 15

The cumulative loans advanced to group undertakings amount to £969,472 as at the year end (2008 £949,672) , of which £969,471 (2008 £949,671) has been provided against

Swansea City Association Football Club Limited

Nature of business Professional Association Football Club

	%
Class of shares	holding
Ordinary £1 shares	99 15

	2009	2008
	£	£
Aggregate capital and reserves	(2,211,421)	(1,659,849)
(Loss)/Profit for the year	(551,572)	91,761

Company

	Loans to group undertakings £
At 1 June 2008	1
New loans in the year	20,000
Other movement	(20,000)
At 31 May 2009	1

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

10 FIXED ASSET INVESTMENTS - continued

The group's investments at the balance sheet date in the share capital of companies include the following

Associated Companies

Swansea Stadium Management Company Limited Nature of business Stadium Management

Class of shares	% holding	31/05/09 £	31/05/08 £
Ordinary £1 shares	33 33		
Aggregate capital and reserves		(265,292)	(525,878)
Profit for the year		269,586	3,415

The aggregate capital and reserves and profit for the year are based on the latest published financial statements

Swansea Stadium Premier Club Limited Nature of business Management of the Stadium Premier Club

Class of shares	% holding	31/07/09 £	31/07/08 £
Ordinary £1 shares	50 00		
Aggregate capital and reserves		(103)	(103)
Profit for the year		-	-

11 STOCKS

	Group	
	2009 £	2008 £
Goods for resale	117,079	128,667

12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2009 £	2008 £
Trade debtors	301,326	433,226
Other debtors	320,891	186,672
Prepayments	525,191	290,101
	1,147,408	909,999

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Bank loans and overdrafts (see note 15)	231,322	-	-	-
Other loans (see note 15)	167,800	13,250	-	-
Hire purchase contracts (see note 16)	11,081	-	-	-
Trade creditors	829,000	674,372	-	-
Social security and other taxes	409,785	264,151	-	-
VAT	204,396	300,277	-	-
Other creditors	373,393	491,444	30,000	10,000
Football League pension	2,052	2,052	-	-
Accruals and deferred income	19,523	7,800	2,800	2,800
	<u>2,248,352</u>	<u>1,753,346</u>	<u>32,800</u>	<u>12,800</u>

14 CREDITORS. AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2009	2008
	£	£
Other loans (see note 15)	335,200	-
Hire purchase contracts (see note 16)	11,166	-
Other creditors	5,814	7,866
	<u>352,180</u>	<u>7,866</u>

15 LOANS

An analysis of the maturity of loans is given below

	Group	
	2009	2008
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	231,322	-
Other loans	167,800	13,250
	<u>399,122</u>	<u>13,250</u>
Amounts falling due between one and two years		
Other loans - 1-2 years	167,800	-
	<u>167,800</u>	<u>-</u>
Amounts falling due between two and five years		
Other loans - 2-5 years	167,400	-
	<u>167,400</u>	<u>-</u>

The other loans balances are unsecured and interest-free

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

16 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2009	2008
	£	£
Gross obligations repayable		
Within one year	14,361	-
Between one and five years	11,166	-
	<u>25,527</u>	<u>-</u>
Finance charges repayable		
Within one year	3,280	-
	<u>3,280</u>	<u>-</u>
Net obligations repayable		
Within one year	11,081	-
Between one and five years	11,166	-
	<u>22,247</u>	<u>-</u>

The following operating lease payments are committed to be paid within one year

Group

	Land and buildings	
	2009	2008
	£	£
Expiring		
In more than five years	60,000	60,000
	<u>60,000</u>	<u>60,000</u>

17 PROVISIONS FOR LIABILITIES

	Group	
	2009	2008
	£	£
Other provisions		
Share of joint venture's net liabilities	51	51
Share of associate's net liabilities	85,430	175,293
	<u>85,481</u>	<u>175,344</u>
Aggregate amounts	<u>85,481</u>	<u>175,344</u>

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

17 PROVISIONS FOR LIABILITIES - continued

Share of associate's net liabilities

The group's share of associate's net liabilities at the balance sheet date is summarised below

Swansea Stadium Management Company Limited

	2009	2008
	£	£
Fixed assets	802,770	785,226
Current asset	352,224	330,296
Creditors amounts falling due within one year	(1,234,402)	(1,248,686)
Creditors amounts falling due after more than one year	(6,022)	(42,129)
	<u>(85,430)</u>	<u>(175,293)</u>

The following information is given in respect of the group's share of associate

	2009	2008
	£	£
Turnover	690,886	995,034
Profit before tax	94,016	1,138
Taxation	4,155	-
Profit after tax	<u>89,861</u>	<u>1,138</u>

18 ACCRUALS AND DEFERRED INCOME

	Group	
	2009	2008
	£	£
Accruals and deferred income	<u>396,622</u>	<u>681,962</u>

19 MINORITY INTERESTS

Equity minority interests represent the share of the profits less losses on ordinary activities attributable to the interests of equity shareholders in subsidiaries which are not wholly owned by the group

20 CALLED UP SHARE CAPITAL

Allotted and issued			2009	2008
Number	Class	Nominal value	£	£
960,001	Share capital	£1	<u>960,001</u>	<u>960,001</u>

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

21 RESERVES

Group

	Profit and loss account £
At 1 June 2008	(1,844,414)
Deficit for the year	(457,020)
At 31 May 2009	<u>(2,301,434)</u>

Company

	Profit and loss account £
At 1 June 2008	(972,799)
Deficit for the year	(20,000)
At 31 May 2009	<u>(992,799)</u>

22 PENSION COMMITMENTS

Certain members of the playing squad are members of The Professional Footballers Pension Scheme. This scheme is compulsory for all members of the Professional Footballers Association, unless the member decides to opt-out of the scheme. The group does not make any contributions into the scheme and does not share in any of the scheme's assets or liabilities. Accordingly no provision for the scheme is made in these financial statements.

In addition, certain former staff of the group were members of the Football League Limited Pension and Life Assurance Scheme ('FLLPLAS') comprising both defined benefit (suspended from 31 August 1995) and defined contribution sections.

Following a review of the Minimum Funding Requirement ('MFR') of the FLLPLAS, accrual of benefits of the final salary section of the scheme was suspended as at 31 August 1995. In light of the exceptional circumstances affecting the scheme, the trustees of the scheme commissioned an independent actuary's report on the MFR position and a substantial deficit was identified. Under the terms of the group participating in the FLLPLAS the group is required to contribute to the deficit of the scheme and the provisional allocation notified to the group is £7,866 (2008 £9,918) and accordingly provision for this amount has been made in the financial statements. During the year, contributions of £2,052 (2008 £2,052) have been paid to the scheme.

SWANSEA CITY FOOTBALL 2002 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2009

23 RELATED PARTY DISCLOSURES

During the year, the group entered into transactions with several related parties

During the year, Swansea Stadium Management Company Limited collected match revenue on behalf of the group throughout the year amounting to £3,282,831. It also recharged expenses to the group amounting to £23,177. At the balance sheet date, the group was owed £131,875 by Swansea Stadium Management Company Limited. (2008 the group owed £15,260 to Swansea Stadium Management Company Limited)

The group also receives club membership income through Swansea Stadium Premier Club Limited. Amounts paid to the group from Swansea Stadium Premier Club Limited during the year amounted to £541,514 and £625 was paid to Swansea Stadium Premier Club Limited during the year. At the balance sheet date, Swansea Stadium Premier Club Limited owed the group £403 (2008 £44,518)

24 ULTIMATE CONTROLLING PARTY

There is no single controlling party

25 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group	2009 £	2008 £
Loss for the financial year	(457,020)	(89,843)
Issue of ordinary share capital	-	471,500
Net (reduction)/addition to shareholders' funds	(457,020)	381,657
Opening shareholders' funds	(884,413)	(1,266,070)
Closing shareholders' funds	(1,341,433)	(884,413)
 Company	 2009 £	 2008 £
Loss for the financial year	(20,000)	(128,784)
Issue of ordinary share capital	-	471,500
Net (reduction)/addition to shareholders' funds	(20,000)	342,716
Opening shareholders' funds	(12,798)	(355,514)
Closing shareholders' funds	(32,798)	(12,798)