

Registration number SC033275

**ROSS COUNTY FOOTBALL CLUB LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 June 2015**



# **ROSS COUNTY FOOTBALL CLUB LIMITED**

## **COMPANY INFORMATION**

Directors	R J MacGregor G M R MacRae R M Fraser A I Kennedy J W MacGregor M B Kydd J D MacDonald D W MacKenzie L F Daly
Secretary	CMM Accountancy (Inverness) Limited
Company number	SC033275
Registered office	The Global Energy Stadium Jubilee Park Road Dingwall Ross-shire IV15 9QZ
Auditors	Ernst & Young LLP Barony House Stoneyfield Business Park Stoneyfield Inverness IV2 7PA
Bankers	Bank of Scotland Etive House Beechwood Park Inverness IV2 3BW

# **ROSS COUNTY FOOTBALL CLUB LIMITED**

## **CONTENTS**

	<b>Page</b>
Strategic report	<b>1</b>
Directors' report	<b>2 - 3</b>
Auditors' report	<b>4 - 5</b>
Profit and loss account	<b>6</b>
Balance sheet	<b>7</b>
Cash flow statement	<b>8</b>
Notes to the financial statements	<b>9 - 11</b>

# **ROSS COUNTY FOOTBALL CLUB LIMITED**

## **STRATEGIC REPORT for the year ended 30 June 2015**

### **Review of the business**

The company's principal activity during the year continued to be that of the holding company for Ross County Football Club (1998) Limited, which operates Ross County Football Club.

During the year the company forgave £1.635m of the loan to its subsidiary, Ross County Football Club (1998) Limited. In addition, during the year, £1.25m was subscribed for new shares in the company. Shareholders' funds were reduced from £3,457,357 to £3,076,859. The company's subsidiary recorded a profit on ordinary activities before interest of £21,914 (2014 - a loss of £70,701) during the year. The group continued to make inroads into its historic debt which, at 30 June 2015, comprised a bank term loan of £617k. The term debt was repaid in full during September 2015.

### **Principal risks and uncertainties**

The principal risks and uncertainties associated with running a professional football club derive from players' and managers' contracts, the transfer market, revenues from broadcasting contracts, attendance levels at home games, and the continuing support of the local business community. Results on the pitch, maintaining league position, and successful cup runs can have an influence on certain of these matters but are all influenced by matters outwith the company's direct control.

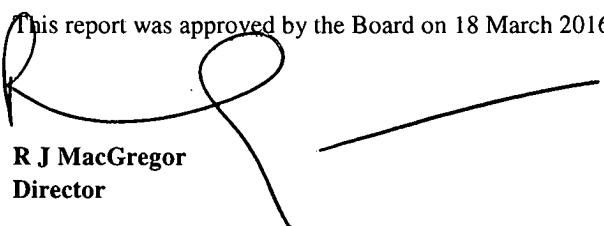
The directors prepare and continually update a business plan, including financial forecasts, to adapt to changing circumstances and results and to mitigate these risks.

### **Future developments**

The goal of the directors is to clear the subsidiary company's debt while creating a sustainable, community-based model for future stability. To this end the short-term target is for the Club to remain in the Premier division of the Scottish Professional Football League.

The Club has also just achieved its first top level honour with victory in the final of the Scottish League Cup on 13 March 2016.

This report was approved by the Board on 18 March 2016 and signed on its behalf by



**R J MacGregor**  
Director

## **ROSS COUNTY FOOTBALL CLUB LIMITED**

### **DIRECTORS' REPORT for the year ended 30 June 2015**

The directors present their report and the financial statements for the year ended 30 June 2015.

#### **Results and dividends**

The results for the year are set out on page 6.

The directors do not recommend payment of a final dividend.

#### **Directors**

The directors who served during the year are as stated below:

R J MacGregor	M B Kydd	
G M R MacRae	G Ryder	(resigned 22 May 2015)
R M Fraser	J D MacDonald	
A I Kennedy	D W MacKenzie	
J W MacGregor	L F Daly	

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, Directors' Report 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 of the profit or loss of the company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### **Strategic Report**

The information required in a Strategic Report has been set out on page 1.

**ROSS COUNTY FOOTBALL CLUB LIMITED**

**DIRECTORS' REPORT**  
**for the year ended 30 June 2015**

**Auditors**

Ernst & Young LLP are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board on 18 March 2016 and signed on its behalf by

A large, stylized handwritten signature in black ink, appearing to be 'R J MacGregor', is written over the text and extends across the page.

**R J MacGregor**  
**Director**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROSS COUNTY FOOTBALL CLUB LIMITED**

We have audited the financial statements of Ross County Football Club Limited for the year ended 30 June 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 10. 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 Chapter 3 of Part 16 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 an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and the auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 (APB'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. In addition, we read all the financial and non-financial information in the directors' report and accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
ROSS COUNTY FOOTBALL CLUB LIMITED (CONTD.)**

**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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 required for our audit.

*Ernst & Young LLP*

**Donald Forsyth (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Inverness**

*28 March 2016*



**ROSS COUNTY FOOTBALL CLUB LIMITED**

**PROFIT AND LOSS ACCOUNT**  
for the year ended 30 June 2015

		2015	2014
	Notes	£	£
<b>Operating profit</b>		-	-
Subsidiary undertaking loan forgiven		(1,635,000)	(380,000)
<b>Loss on ordinary activities before taxation</b>		(1,635,000)	(380,000)
Tax on loss on ordinary activities	2	-	-
<b>Loss for the year</b>	7	(1,635,000)	(380,000)

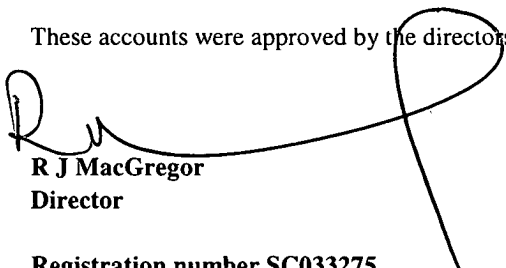
The notes on pages 9 to 11 form an integral part of these financial statements.

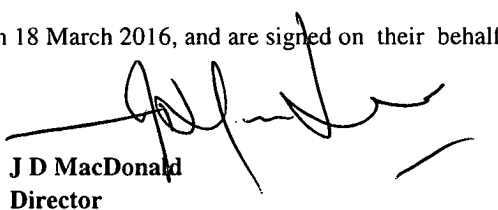
# ROSS COUNTY FOOTBALL CLUB LIMITED

## BALANCE SHEET as at 30 June 2015

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Investments	3	627,108	627,108
<b>Current assets</b>			
Debtors	4	2,452,487	2,832,985
		<u>2,452,487</u>	<u>2,832,985</u>
<b>Creditors: amounts falling due within one year</b>		<u>-</u>	<u>-</u>
<b>Net current assets</b>		<u>2,452,487</u>	<u>2,832,985</u>
<b>Total assets less current liabilities</b>		<u>3,079,595</u>	<u>3,460,093</u>
<b>Creditors: amounts falling due after more than one year</b>	5	(2,736)	(2,736)
		<u>3,076,859</u>	<u>3,457,357</u>
<b>Capital and reserves</b>			
Called up share capital	6	7,410,821	6,156,319
Profit and loss account	7	(4,333,962)	(2,698,962)
<b>Shareholders' funds</b>		<u>3,076,859</u>	<u>3,457,357</u>

These accounts were approved by the directors on 18 March 2016, and are signed on their behalf by:

  
R J MacGregor  
Director

  
J D MacDonald  
Director

Registration number SC033275

The notes on pages 9 to 11 form an integral part of these financial statements.

**ROSS COUNTY FOOTBALL CLUB LIMITED**

**CASH FLOW STATEMENT  
for the year ended 30 June 2015**

	<b>2015</b>		<b>2014</b>	
	£	£	£	£
Reconciliation to cash generated from operations:				
Decrease in other debtors	380,498		(493,913)	
Subsidiary undertaking loan forgiven	(1,635,000)		(380,000)	
		(1,254,502)		(873,913)
<b>Cash from other sources</b>				
Issue of shares for cash	1,254,502		65,300	
Other new short term borrowings	-		808,613	
		1,254,502		873,913
<b>Net increase in cash in the year</b>		-		-

# ROSS COUNTY FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2015

### 1. Accounting policies

#### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

#### 1.2. Investments

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

#### 1.3. Group accounts

The company is entitled to the exemption under Section 400 of the Companies Act 2006 from the obligation to prepare group accounts.

### 2. Tax on loss on ordinary activities

#### Analysis of charge in period

	2015 £	2014 £
<b>Current tax</b>		
UK corporation tax	-	-

#### Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (20.00 per cent). The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before taxation	(1,635,000)	(380,000)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (30 June 2014 : 20.00%)	(327,000)	(76,000)
<b>Effects of:</b>		
Subsidiary undertaking loan forgiven	327,000	76,000
Current tax charge for period	-	-

### 3. Fixed asset investments

	Subsidiary undertakings shares £
<b>Cost</b>	
At 1 July 2014	
At 30 June 2015	627,108
<b>Net book values</b>	
At 30 June 2015	627,108
At 30 June 2014	627,108

# ROSS COUNTY FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2015

### 3.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
<b>Subsidiary undertaking</b>				
Ross County Football Club (1998) Limited	Scotland	Ross County Football Club	Ordinary	91.3%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Loss for the year £
Ross County Football Club (1998) Limited	688,769	274

### 4. Debtors

	2015 £	2014 £
Amounts owed by group undertakings	2,446,488	2,826,986
Other debtors	5,999	5,999
	<u>2,452,487</u>	<u>2,832,985</u>

### 5. Creditors: amounts falling due after more than one year

	2015 £	2014 £
6% Non Cum Preference Shares of £1 each	<u>2,736</u>	<u>2,736</u>

# ROSS COUNTY FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2015

6.	Share capital	2015 £	2014 £
	<b>Allotted, called up and fully paid</b>		
	7,410,821 Ordinary shares of £1 each	7,410,821	6,156,319
	2,736 6% Non Cum Preference shares of £1 each	2,736	2,736
		<u>7,413,557</u>	<u>6,159,055</u>
	<b>Equity Shares</b>		
	7,410,821 Ordinary shares of £1 each	<u>7,410,821</u>	<u>6,156,319</u>
	<b>Shares classed as financial liabilities</b>		
	2,736 6% Non Cum Preference shares of £1 each	<u>2,736</u>	<u>2,736</u>

1,254,502 ordinary shares were issued at par during the year (2014 - 1,342,908 shares).

7.	Reserves	Profit and loss account £
	<b>At 1 July 2014</b>	(2,698,962)
	Loss for the year	<u>(1,635,000)</u>
	<b>At 30 June 2015</b>	<u><u>(4,333,962)</u></u>

### 8. Related party transactions

The company has advanced a loan to the subsidiary undertaking Ross County Football Club (1998) Limited. £1,635,000 (2014 - £380,000) of this loan was forgiven during the year. The balance of £2,446,488 (2014 - £2,826,986) is included in debtors.

The company has been advanced a loan by GEG Capital Limited, a company controlled by the director Roy MacGregor. At 30 June 2015 the loan balance was a debtor of £5,999 (2014 - £5,999). The loan is interest-free and unsecured.

### 9. Parent undertaking and controlling party

The company's parent undertaking is GEG Capital Limited. It has included the company in its group financial statements, copies of which are available from its registered office at 13 Henderson Road, Inverness, IV1 1SN.

The controlling party of GEG Capital Limited is the MacGregor family.