

Registered number: SC033275

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**ROSS COUNTY  
FOOTBALL CLUB LIMITED**

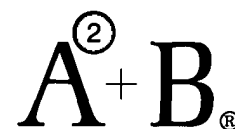
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2016**



**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

**Company secretary**

CMM Accountancy (Inverness) Limited

**Registered number**

SC033275

**Registered office**

The Global Energy Stadium  
Jubilee Park Road  
Dingwall  
Ross-shire  
IV15 9QZ

**Independent auditors**

Anderson Anderson & Brown LLP  
Kingshill View  
Prime Four Business Park  
Kingswells  
Aberdeen  
AB15 8PU

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 30 JUNE 2016**



**Introduction**

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

**Business review**

During the year the company forgave £849,445 (2015 - £1,635,000) of the loan to its subsidiary, Ross County Football Club (1988) Limited. In addition, during the year, £50,850 was subscribed for new shares in the company. Shareholders' funds were decreased from £3,076,859 to £2,278,264.

**Principal risks and uncertainties**

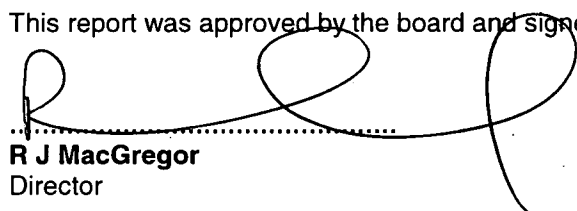
The principal risks and uncertainties associated with running a professional football club derive from players and managers' contracts, the transfer market, revenues from broadcasting contracts, attendance levels at the home games, and the continuing support of the local business community. Results on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

**Key performance indicators**

The directors consider the performance in the league and cup competitions to be key indicators of the performance of the club.

This report was approved by the board and signed on its behalf.

A large, stylized handwritten signature in black ink, appearing to read 'R J MacGregor', is written over a dotted line.

**R J MacGregor**  
Director

Date: 21 December 2016

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2016**



The directors present their report and the financial statements for the year ended 30 June 2016.

**Results and dividends**

The loss for the year, after taxation, amounted to £849,445 (2015 -loss £1,635,000).

No dividends were paid or proposed during the year (2015 - £ nil).

On 13 March 2016 the Club achieved its first top level honour with victory in the final of the Scottish League Cup.

**Directors**

The directors who served during the year were:

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

**Future developments**

The goal of the directors is to maintain a debt-free position while creating a sustainable, community-based model for future stability. To this end the short-term target is to remain in the Premier division of the Scottish Professional Football League.

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Post balance sheet events**

There have been no significant events affecting the company since the year end.

**Auditors**

The auditors, Anderson Anderson & Brown LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2016**



This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'R J MacGregor', written over a dotted line.

**R J MacGregor**  
Director

Date: 21 DECEMBER 2016

**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2016**

The directors are responsible for preparing the Strategic report, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments 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 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.

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

We have audited the financial statements of Ross County Football Club Limited for the year ended 30 June 2016, set out on pages 7 to 17. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors**

As explained more fully in the Directors' responsibilities statement on page 4, 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council'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 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 Strategic report and the Directors' report 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 2016 and of its profit or 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements.



ROSS COUNTY FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
ROSS COUNTY FOOTBALL CLUB 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, 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 require for our audit.

*Anderson Anderson & Brown LLP*

John Black (Senior statutory auditor)

for and on behalf of

**Anderson Anderson & Brown LLP**

Kingshill View

Prime Four Business Park

Kingswells

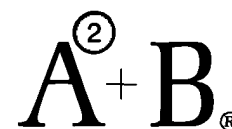
Aberdeen

AB15 8PU

Date: 21 DECEMBER 2016

ROSS COUNTY FOOTBALL CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016



	Note	2016 £	2015 £
Subsidiary undertaking loan forgiven		(849,445)	(1,635,000)
<b>Operating loss</b>	4	(849,445)	(1,635,000)
Tax on loss	6	-	-
<b>Loss for the year</b>		<u>(849,445)</u>	<u>(1,635,000)</u>
<b>Total comprehensive income for the year</b>		<u>(849,445)</u>	<u>(1,635,000)</u>

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 11 to 17 form part of these financial statements.

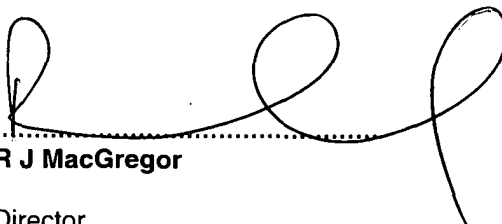
ROSS COUNTY FOOTBALL CLUB LIMITED  
REGISTERED NUMBER: SC033275

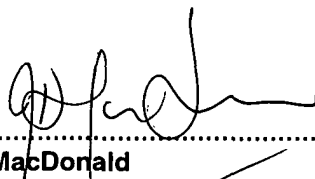
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016



	Note	2016 £	2016 £	2015 £	2015 £
<b>Fixed assets</b>					
Investments	8		627,108		627,108
			<u>627,108</u>		<u>627,108</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	9	1,653,892		2,452,487	
		<u>1,653,892</u>		<u>2,452,487</u>	
<b>Total assets less current liabilities</b>			2,281,000		3,079,595
Creditors: amounts falling due after more than one year			(2,736)		(2,736)
<b>Net assets</b>			<u>2,278,264</u>		<u>3,076,859</u>
<b>Capital and reserves</b>					
Called up share capital	11		7,461,671		7,410,821
Profit and loss account			<u>(5,183,407)</u>		<u>(4,333,962)</u>
			<u>2,278,264</u>		<u>3,076,859</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
R J MacGregor  
Director

  
J D MacDonald  
Director

Date: 21 DECEMBER 2016

The notes on pages 11 to 17 form part of these financial statements.

ROSS COUNTY FOOTBALL CLUB LIMITED



STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2016

	Called up share capital £	Profit and loss account £	Total equity £
At 1 July 2015	7,410,821	(4,333,962)	3,076,859
<b>Comprehensive income for the year</b>			
Loss for the year	-	(849,445)	(849,445)
<b>Total comprehensive income for the year</b>	-	(849,445)	(849,445)
Shares issued during the year	50,850	-	50,850
<b>At 30 June 2016</b>	<b>7,461,671</b>	<b>(5,183,407)</b>	<b>2,278,264</b>

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2015

	Called up share capital £	Profit and loss account £	Total equity £
At 1 July 2014	6,156,319	(2,698,962)	3,457,357
Loss for the year	-	(1,635,000)	(1,635,000)
<b>Total comprehensive income for the year</b>	-	(1,635,000)	(1,635,000)
Shares issued during the year	1,254,502	-	1,254,502
<b>At 30 June 2015</b>	<b>7,410,821</b>	<b>(4,333,962)</b>	<b>3,076,859</b>

The notes on pages 11 to 17 form part of these financial statements.

ROSS COUNTY FOOTBALL CLUB LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2016



	2016 £	2015 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(849,445)	(1,635,000)
<b>Adjustments for:</b>		
Decrease in debtors	798,595	380,498
<b>Net cash generated from operating activities</b>	<u>(50,850)</u>	<u>(1,254,502)</u>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	50,850	1,254,502
<b>Net cash used in financing activities</b>	<u>50,850</u>	<u>1,254,502</u>
<b>Net increase in cash and cash equivalents</b>	<u>-</u>	<u>-</u>
<b>Cash and cash equivalents at the end of year</b>	<u>-</u>	<u>-</u>

**1. General information**

Ross County Football Club Limited is a limited liability company incorporated in Scotland. The registered office is Jubilee Park Road, Dingwall, Ross-shire, IV15 9QZ.

Ross County Football Club's principal activity is continued to be that of the holding company for Ross County Football Club (1998) Limited.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 14.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Going concern**

While the directors acknowledge that the company and its subsidiary operates in a difficult and often uncertain financial environment, the ultimate parent company has signalled its intention to continue to support both Ross County Football Club and Ross County Football Club (1998) Limited when required, as well as not calling for repayment of existing loans. Accordingly the financial statements have been prepared on a going concern basis.

**2.3 Group accounts**

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

**2.4 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

**2.5 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2. Accounting policies (continued)**

**2.6 Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2. Accounting policies (continued)**

**2.7 Taxation**

Tax is recognised in the Statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.8 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of financial statements, requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of financial position date and the amounts reported during the year for revenue and costs. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgements and estimates have had the most significant impact on amounts recognised in the financial statements.

**Impairment of investment**

The directors make an assessment of the impairment of investments. When assessing impairment of investments, various factors are taken into consideration, including the trading result, net assets and future plans of the company.

**4. Operating loss**

During the year, no director received any emoluments (2015 -£NIL).

Auditors' remuneration was borne by another group company.



# ROSS COUNTY FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016



### 5. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Directors	9	9

### 6. Taxation

	2016 £	2015 £
<b>Current tax</b>		
UK corporation tax	-	-

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 -higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Loss on ordinary activities before tax	(849,445)	(1,635,000)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 -20%)	(169,889)	(327,000)
<b>Effects of:</b>		
Subsidiary undertaking loan forgiven	169,889	327,000
<b>Total tax charge for the year</b>	-	-

### 7. Exceptional items

	2016 £	2015 £
Subsidiary undertaking loan forgiven	849,445	1,635,000

# ROSS COUNTY FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016



### 8. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 July 2015	627,108
At 30 June 2016	627,108
<b>Net book value</b>	
At 30 June 2016	627,108
At 30 June 2015	627,108

### Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Ross County Football Club (1998) Limited	Scotland	Ordinary	42 %	Ross County Football Club

The aggregate of the share capital and reserves as at 30 June 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £
Ross County Football Club (1998) Limited	1,744,251

The subsidiary has reported a loss for the year of £NIL (2015 - £274).

### 9. Debtors

	2016 £	2015 £
Amounts owed by group undertakings	1,653,892	2,446,488
Other debtors	-	5,999
	1,653,892	2,452,487

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

## 10. Financial instruments

	2016 £	2015 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>1,653,892</u>	<u>2,452,487</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(2,736)</u>	<u>(2,736)</u>

Financial assets measured at amortised cost comprise amounts owed by group undertakings and other debtors

Financial liabilities measured at amortised cost comprise preference shares.

## 11. Share capital

	2016 £	2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
7,461,671 (2015 - 7,410,821) Ordinary Share shares of £1 each	<u>7,461,671</u>	<u>7,410,821</u>
	2016 £	2015 £
<b>Shares classified as debt</b>		
<b>Allotted, called up and fully paid</b>		
2,736 6% Non Cum Preference shares of £1 each	<u>2,736</u>	<u>2,736</u>

50,850 ordinary shares were issued at par during the year (2015 - 1,254,502).

## 12. Related party transactions

The company has advanced a loan to the subsidiary undertaking Ross County Football Club (1998) Limited. £849,445 (2015 - £1,635,000) of this loan was forgiven during the year. The balance of £1,653,892 (2015 - £2,446,488) is included in debtors.

## 13. Controlling party

The company's former parent undertaking, GEG Capital Limited, renamed to GEG Capital (Howe Moss) Limited during the year. The company is included in this group's financial statements prepared to 31 March 2016, copies of which are available from its registered office at 13 Henderson Road, Inverness, IV1 1SN. Following a group restructuring in April 2016, the ultimate ownership passed to a newly incorporated company, GEG Capital Limited.

ROSS COUNTY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016



**14. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.