The Scottish Premier League Limited

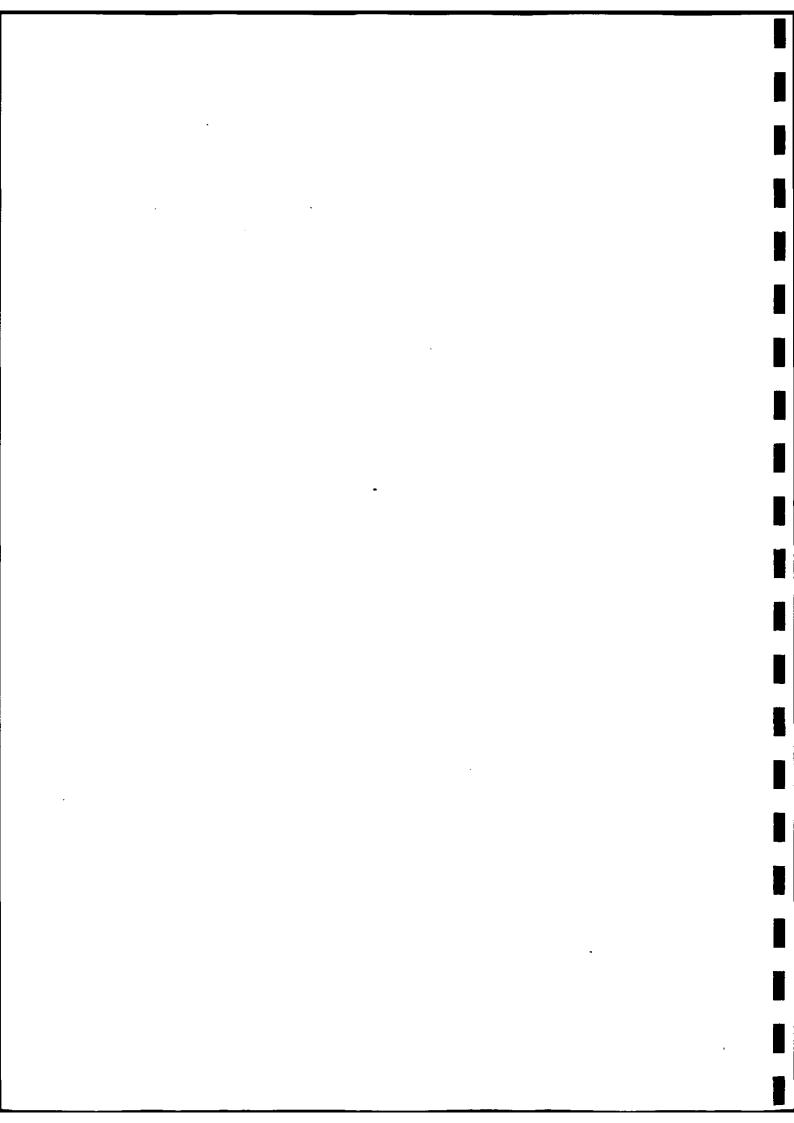
Directors' report and financial statements Registered Number SC175364 31 May 2011

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Directors and advisors

Directors

Ralph Topping (Chairman)

Neil Doncaster Eric Riley Steven Brown Derek Weir

Secretary

Iain J Blair

Auditors

KPMG LLP

191 West George Street

Glasgow G2 2LJ

Lawyers

Harper Macleod

The Ca'd'oro Building

45 Gordon Street

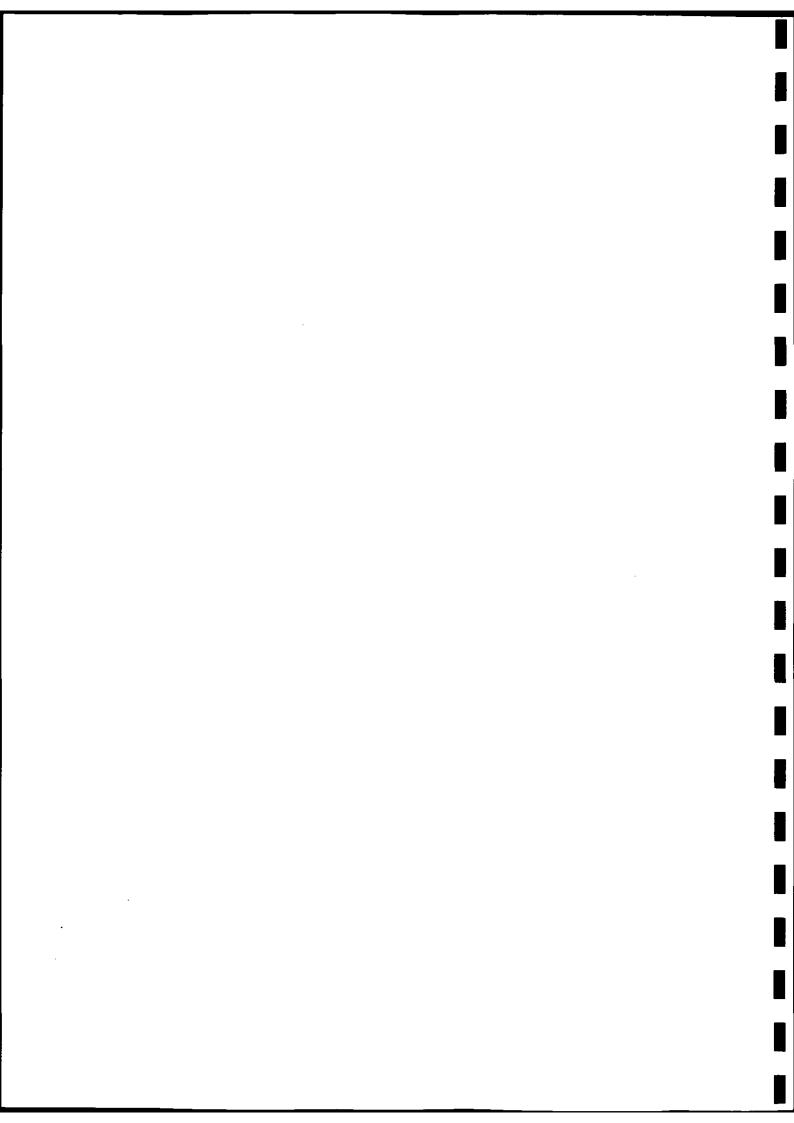
Glasgow G1 3PE

Bankers

Clydesdale Bank Plc

20 Waterloo Street

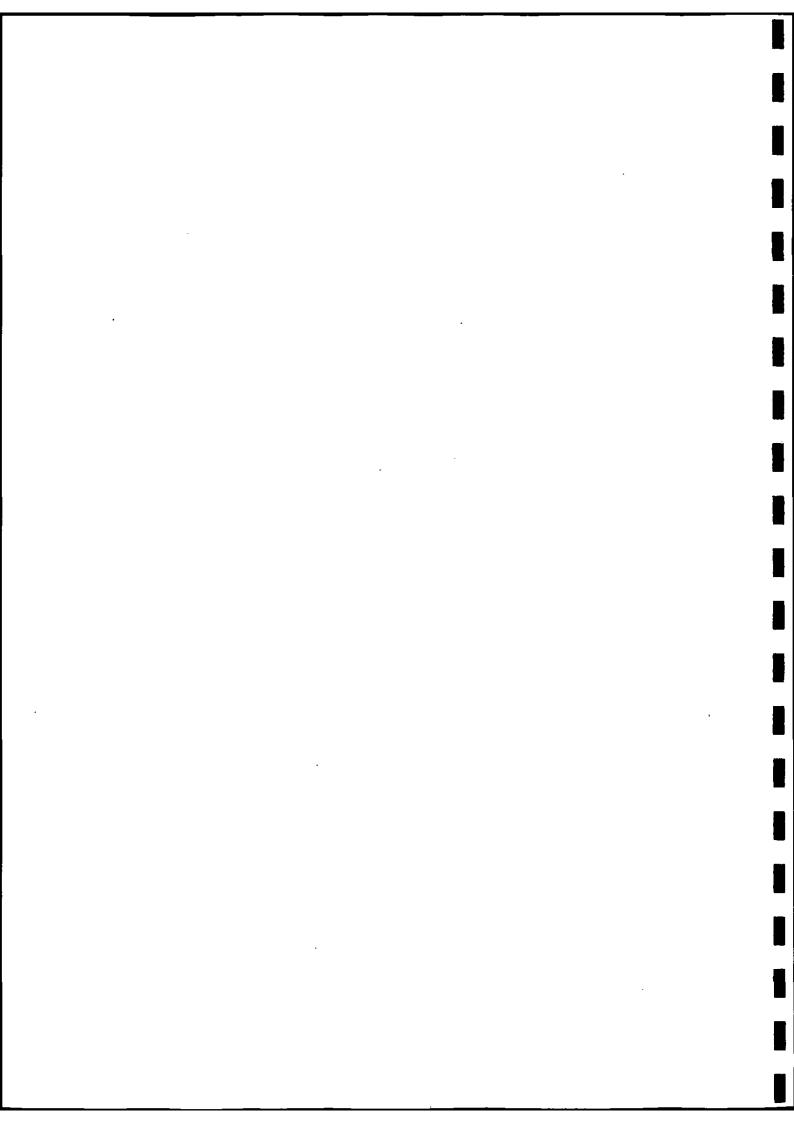
Glasgow G2 6DB



The Scottish Premier League Limited Directors' report and financial statements 31 May 2011

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 May2011.

Principal activities

The principal activity of the company is to organise and manage the premier football league competition in Scotland.

Business review

Season 2010/11 saw Rangers FC retain the Clydesdale Bank Premier League Championship for a third successive Season; although this was only achieved by a single point advantage over fierce rivals Celtic FC following yet another Helicopter Sunday.

Whilst there was final day drama for the Championship this year things were not quite so close at the other end of the table. Hamilton Academical FC were relegated at the end of their third Season in the top flight; eventually trailing St Mirren FC by seven points.

Hamilton Academical FC will be replaced in the Clydesdale Bank Premier League for 2011/12 by Dunfermline Athletic FC who make a welcome return after anabsence of four years.

In 2010/11 for the second successive season Rangers FC qualified directly for the Group Stages of the Champions League. Whilst they did not progress to the knock out rounds of that tournament they did qualify to participate in the later knock out stages of the Europa League where they overcame Sporting Lisbon before falling narrowly to PSV Eindhoven in the third round.

Celtic FC participated in the qualifying competition of the Champions League before falling into the Play-Off stage of the Europa League. They joined Motherwell FC and Dundee United FC in competing at that stage of the competition; Hibernian FC had exited the competition at the previous round. Unfortunately none of the Scottish clubs progressed to the Group Stage of the Europa League.

In the Season ahead Scotland has four representatives in UEFA Competitions. Rangers FC enter the Champions League at the third qualifying round whilst in the Europa League Dundee United FC enter at qualifying round two, Heart of Midlothian FC enter at qualifying round three and Celtic FC enter at the Play-Off round. Unfortunately Dundee United did not progress in the competition beyond their entry point.

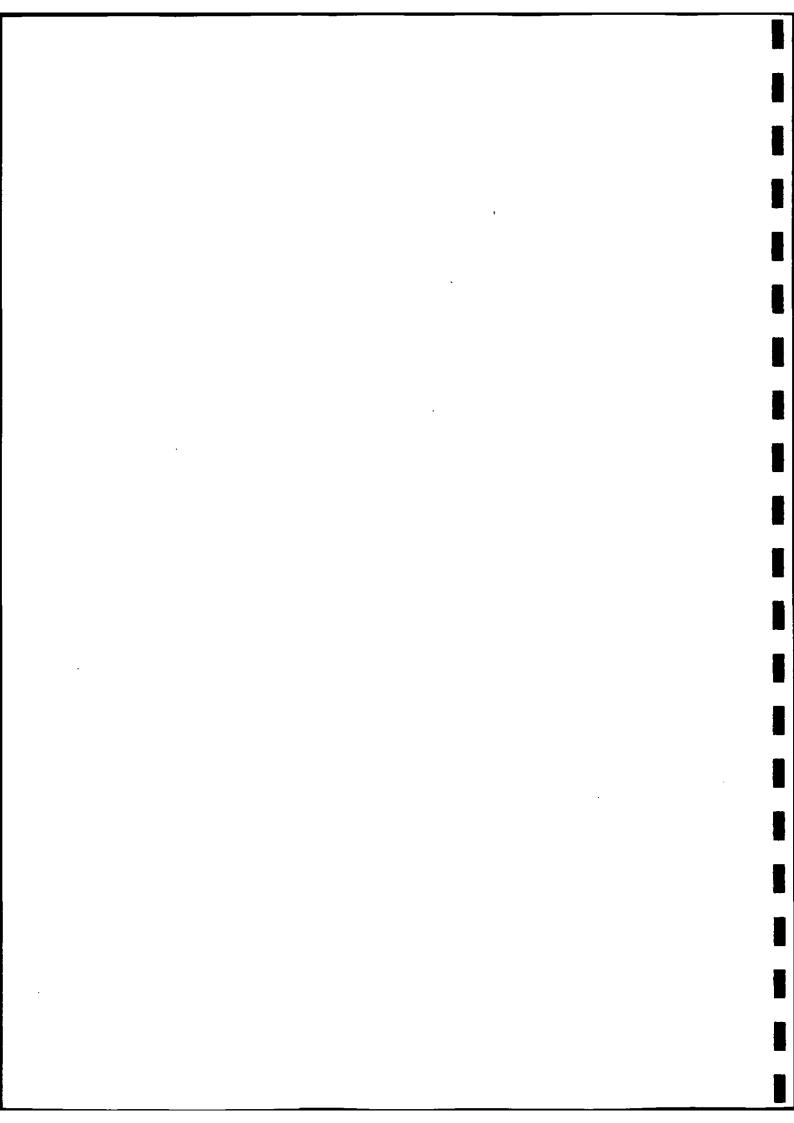
Interest in the SPL has increased in comparison with the previous Season both in terms of attendance at Clydesdale Bank Premier League matches and in terms of those who watched those matches on television throughout the country. Attendances at matches were up by almost 150,000 to over 3.3 million – an increase of 4.7%. Television audiences were also up; 26% more for live broadcasts and 34% more for highlights. The cumulative total for all television viewers in the British Isles over the Season was 91 million.

Revenues in the year have increased by 7% to £22.7 million. The increase in revenues principally reflects the increase in live domestic television fees from BSkyB and ESPN together with the addition of new commercial agreements with William Hill, Coca-Cola, Bauer Group, Real Radio, Scottish Television and Thomas Cook. These were mitigated by a reduction in the revenues derived from the BBC in respect of live radio, television highlights and online rights. Existing partnerships with Clydesdale Bank, Sportfive, Panini, Mitre, Electronic Arts, Sega, BBC Alba and Sporting ID all contributed to this growth in revenue.

The administrative expenses of the Company remained broadly static in the in the year. This meant that the total payments to SPL clubs in the year increased by £1.5 million to £18.6 million; an additional 8.7%.

In difficult economic times it is good to be able to report progress in respect of overall Company revenues and fee payments to clubs together with control over administrative expenditure. Particularly as this has been achieved in a year when there has been a significant increase in the administrative workload required by the Strategic Review, the examination of the Fans TV concept and the Company's leading participation in the Joint Action Group established by the Scottish Government.

The Company was deeply saddened to hear in May of the untimely death of its former Commercial Director, Stewart Thomson at the age of only 48. The thoughts of everyone involved in the Company are with his wife Gillian and young daughter Daisey.



Directors' report (continued)

Business review (continued)

It is clear that the tough economic climate of the last several years is likely to continue in the medium term. This continues to present a very challenging financial and commercial environment for the Company and its shareholders. Success in such an environment will require innovation, creativity and adaptability from all concerned.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors and directors' interests

The directors who held office during the year and up to the date of this report were as follows

Ralph Topping

Martin Bain (resigned 15 July 2010)

Neil Doncaster

Duncan Fraser (resigned 15 July 2010)
Stuart Gilmour (resigned 18 July 2011)
Rod Petrie (resigned 18 July 2011)
Eric Riley (appointed 15 July 2010)

Stewart Robertson (appointed 15 July 2010, resigned 10 February 2011)

Steven Brown (appointed 18 April 2011)
Derek Weir (appointed 18 July 2011)

There are no indemnifications in place for directors.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

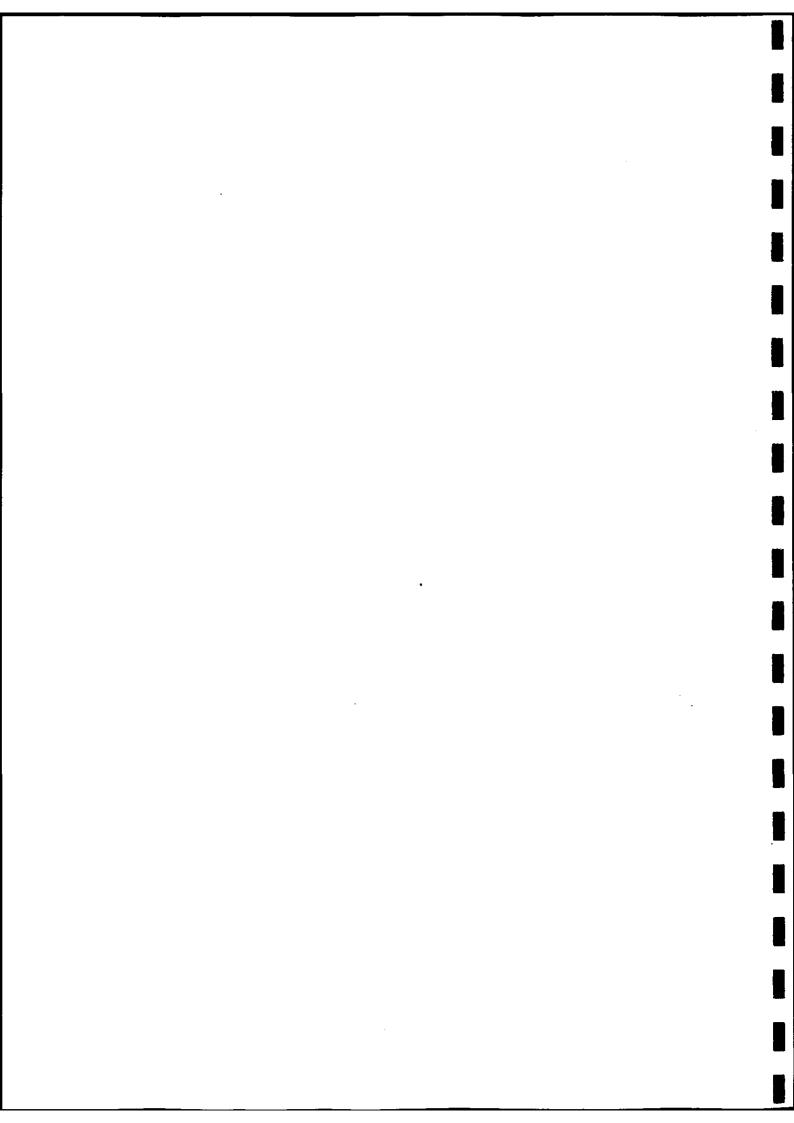
Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

By order of the board

lain J Blair Secretary The National Stadium Hampden Park Glasgow G42 9BA 2011

15 August 2011



Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

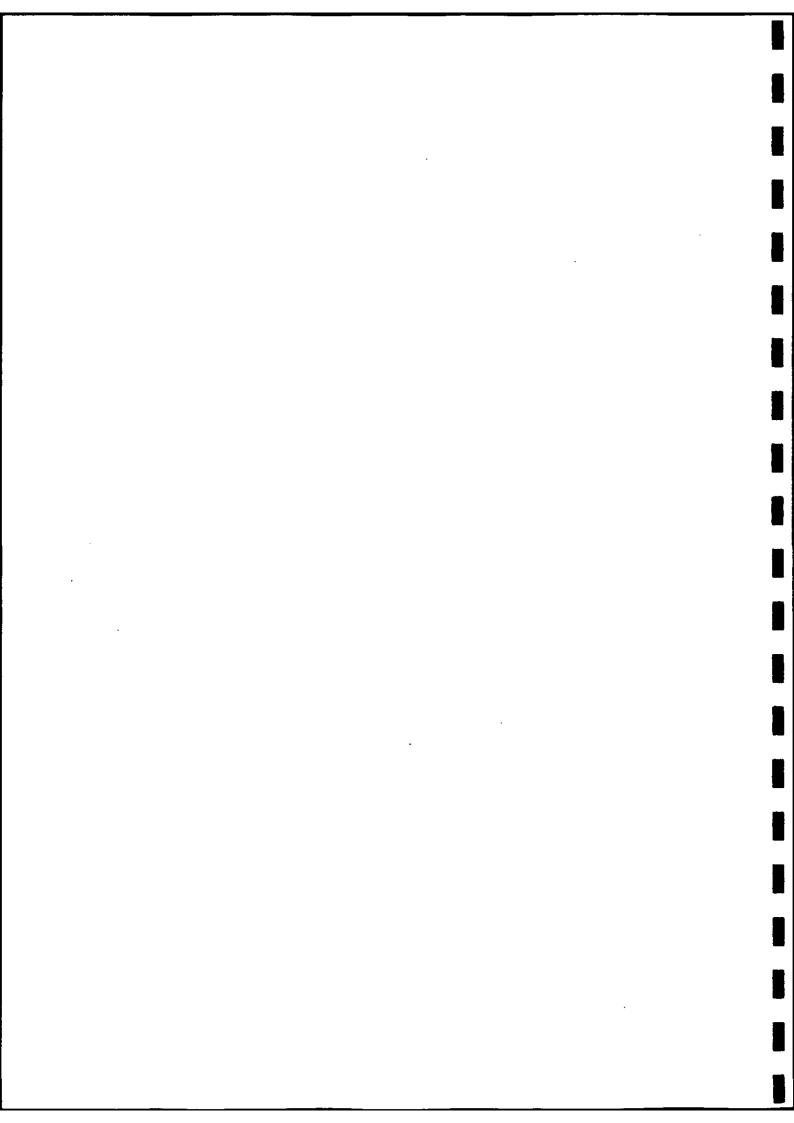
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 and then apply them consistently,
- · make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.





KPMG LLP

191 West George Street Glasgow G2 2LJ United Kingdom

Independent auditor's report to the members of The Scottish Premier League Limited

We have audited the financial statements of The Scottish Premier League Limited for the year ended 31 May 2011 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

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 31 May 2011 and of its loss for the year then ended;
- have been properly prepared in accordance with UK 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

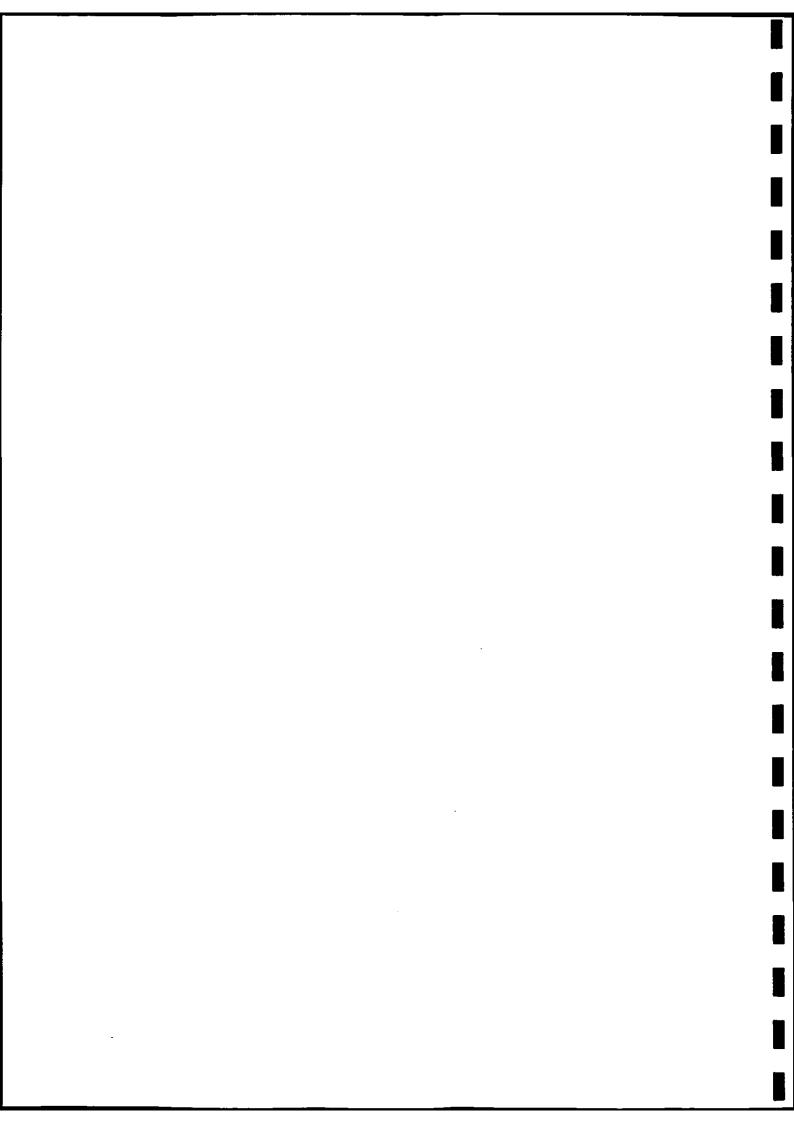
Matters on which we are required to report by exception

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.



B Marks (Senior Statutory Auditor) for and on behalf of KPMG LLP, Statutory Auditor Chartered Accountants 16 August 2011

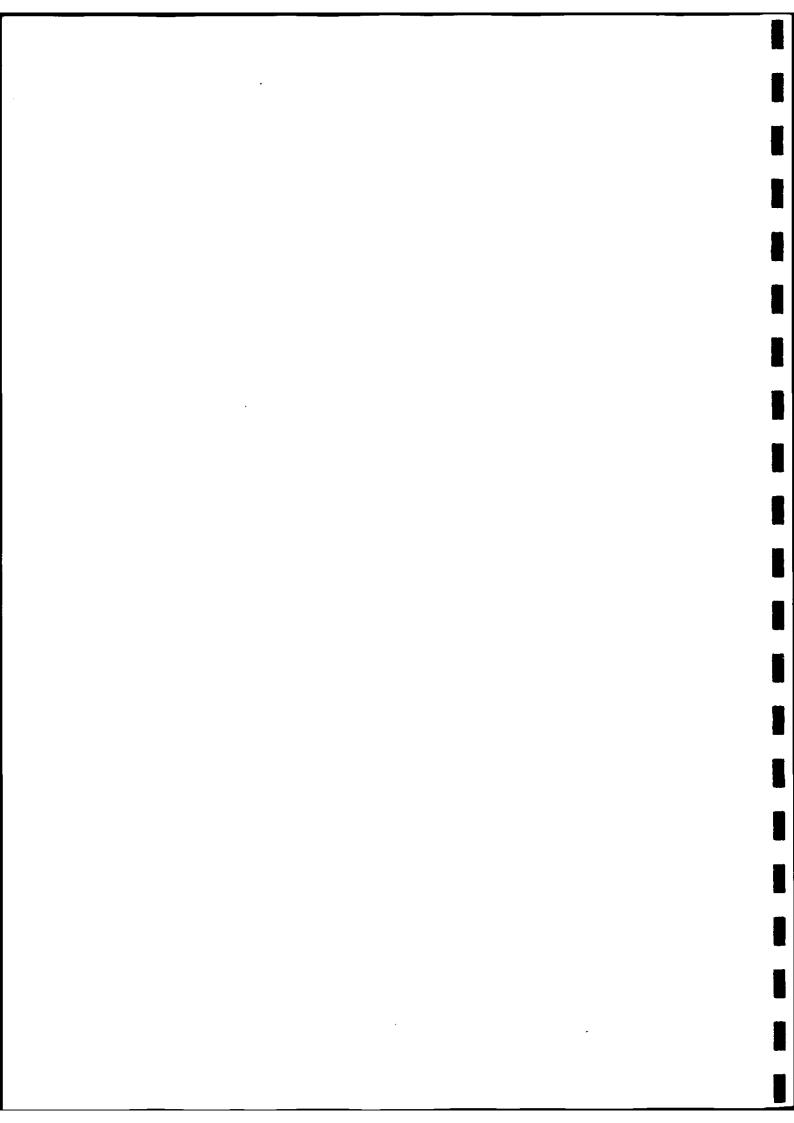


Profit and loss account

for the year ended 31 May 2011	Note	2011 £000	2010 £000
Turnover Cost of sales		22,703 (21,317)	21,219 (19,853)
Gross profit Administrative expenses		1,386 (1,419)	1,366 (1,379)
Operating loss Interest receivable and similar income	5	(33) 29	(13) 12
Loss on ordinary activities before taxation Tax on loss on ordinary activities	2 6	(4)	(1)
Loss on ordinary activities after taxation and for the financial year	11	(4)	(1)

All of the company's activities are continuing.

There were no recognised gains or losses other than those set out above.



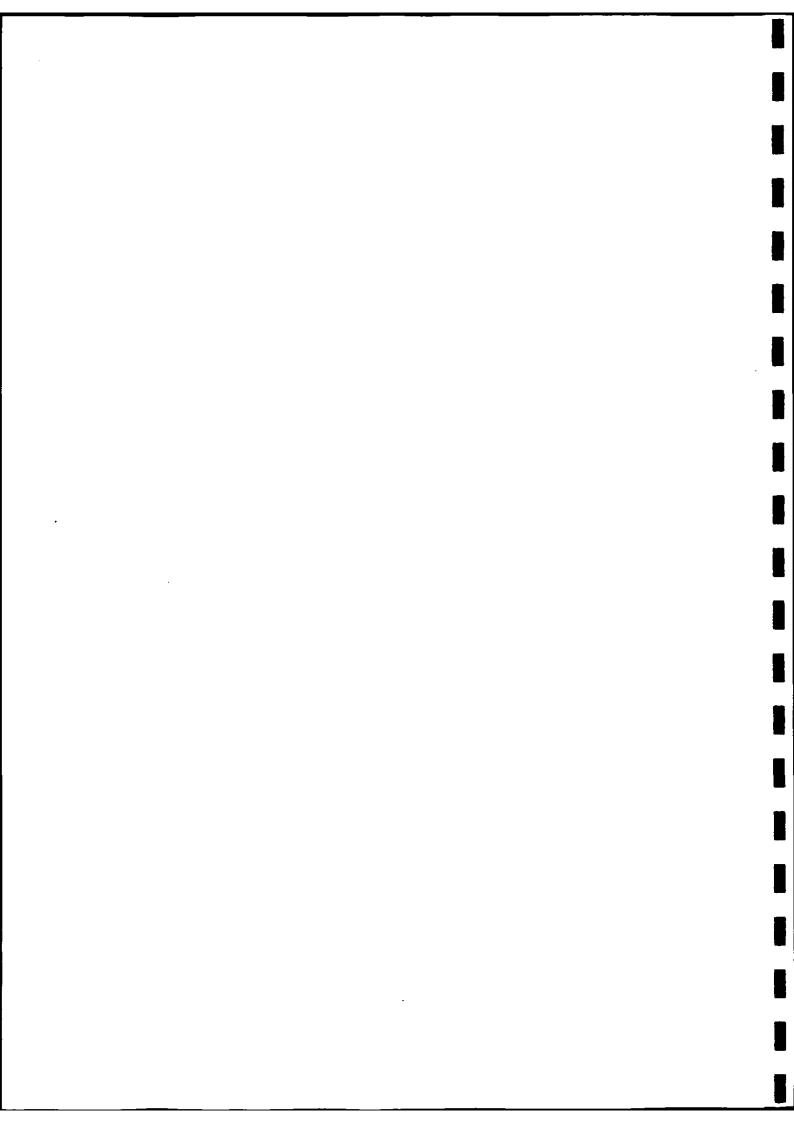
Balance sheet

at 31 May 2011	Note	201	1	2010	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	7		28		26
Current assets					
Debtors	8	3,181		2,744	
Cash at bank and in hand		3,998		3,155	
				5.000	
Conditions on the California described	0	7,179		5,899	
Creditors: amounts falling due within one year	9	(7,403)		(6,117)	
Net current liabilities			(224)		(218)
Net liabilities			(196)		(192)
Control and manning					
Capital and reserves	10				
Called up share capital	10		(106)		(102)
Profit and loss account	11		(196)		(192)
Equity shareholders' funds - deficit			(196)		(192)
•					

These financial statements were approved by the board of directors on 15 August 2011 and were signed on its behalf by:

R Topping Chairman

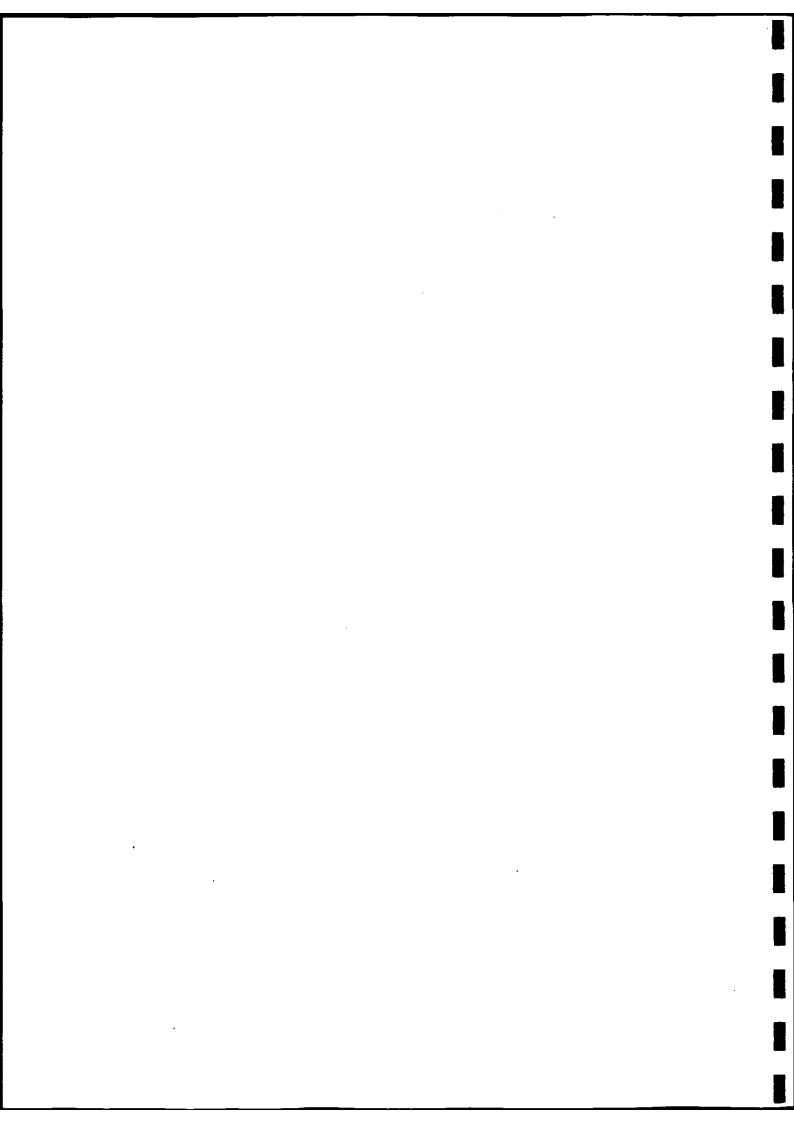
N Doncaster Chief Executive



Cash flow statement

for the year ended 31 May 2011

	Note	2011 £000	2010 £000
Reconciliation of operating loss to net cash flow from operating activities			
Operating loss Depreciation charges Increase in debtors Increase/(decrease) in creditors		(33) 4 (437) 1,286	(13) 4 (354) (83)
Net cash inflow/(outflow) from operating activities		820	(446)
•			
Cash flow statement			
Cash flow from operating activities Returns on investments and servicing of finance Capital expenditure and financial investment	14 14	820 29 (6)	(446) 12 (3)
Increase/(decrease) in cash in the period		843	(437)
Reconciliation of net cash flow to movement in cash/net debt	15		***************************************
Increase/(decrease) in cash in the period		843	(437)
Net cash at the start of the period		3,155	3,592
Net cash at the end of the period		3,998	3,155



Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. Notwithstanding the deficit on reserves at 31 May 2011 the financial statements have been prepared on the going concern basis as the directors are of the opinion that the existence of contracted income will allow the company to meet its liabilities as they fall due for the foreseeable future.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Office equipment

4 to 5 years

Leasehold improvements

19 years

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Post-retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Taxation

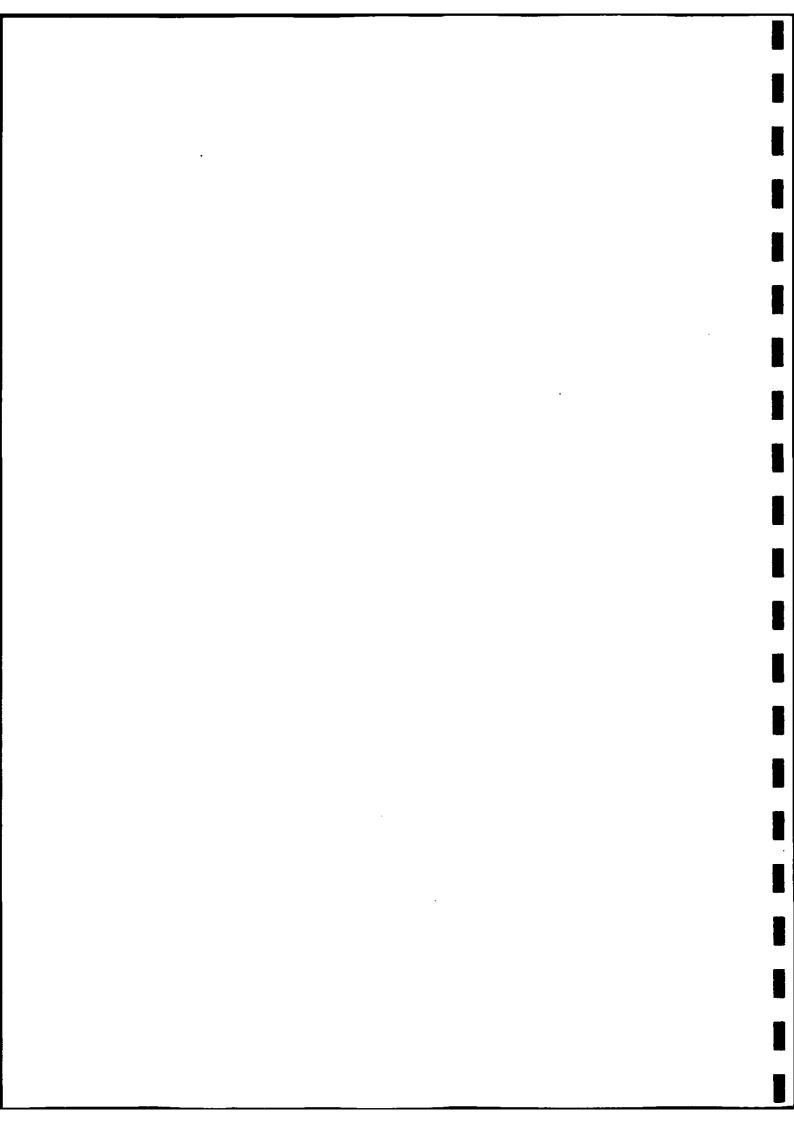
The charge for taxation is based on the loss for the year and takes into account taxation deferred.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Turnover

Turnover comprises the value of sales, excluding VAT, of goods and services in the normal course of business, sponsorship monies and revenue derived from television broadcasting contracts.

Revenue is recognised in the year to which it relates and payments to clubs are recorded as cost of sales in the year in which the related revenue is recognised.



Loss on ordinary activities before taxation	2	Loss on ordinary activities before taxation
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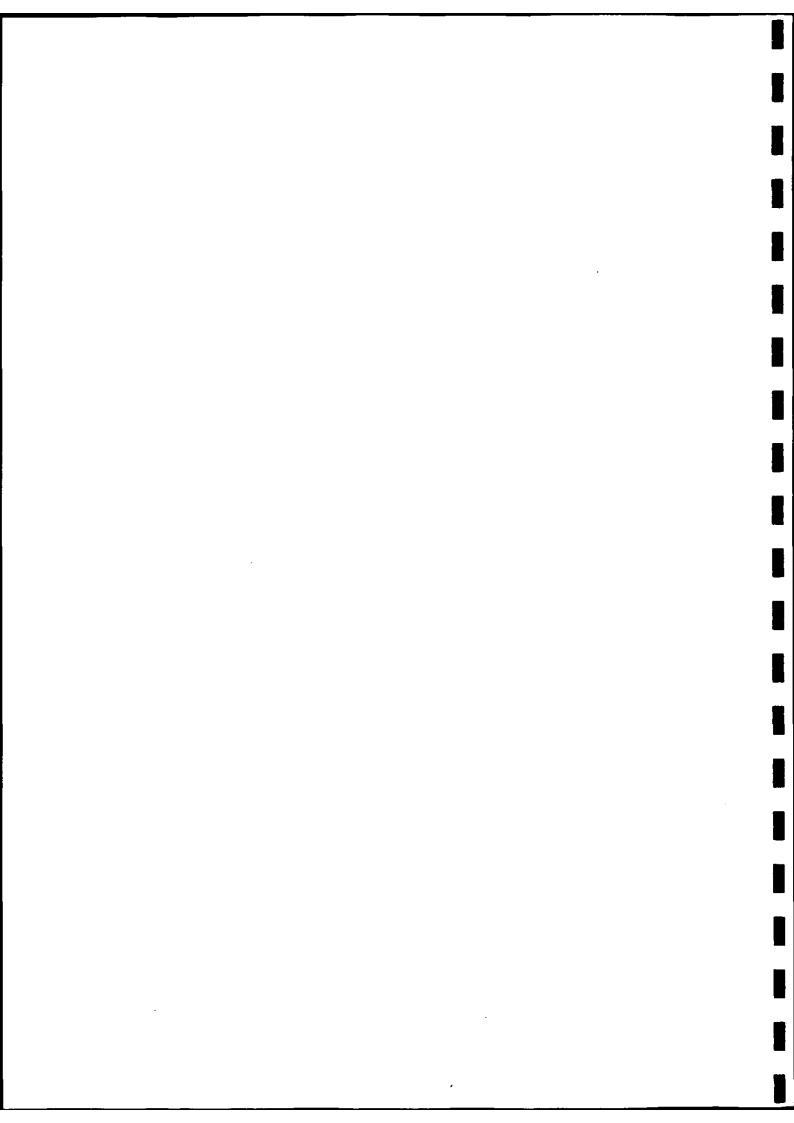
2 Loss on ordinary activities before taxation		
	2011 £000	2010 £000
Loss on ordinary activities before taxation is stated after charging		
Auditors' remuneration:		
Audit of these financial statements	7	7
Other services relating to taxation	2	2
Depreciation and other amounts written off tangible fixed assets	4	4
Rentals payable under operating leases		
Land and buildings	32	32
Motor vehicles	5	11
3 Remuneration of directors		
	2011	2010
	£000	£000
Directors' emoluments including benefits in kind	172	212
	·	
		er of directors
	2011	2010
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	1	1

Mr RJ Topping waived his right to remuneration associated with his post during the year.

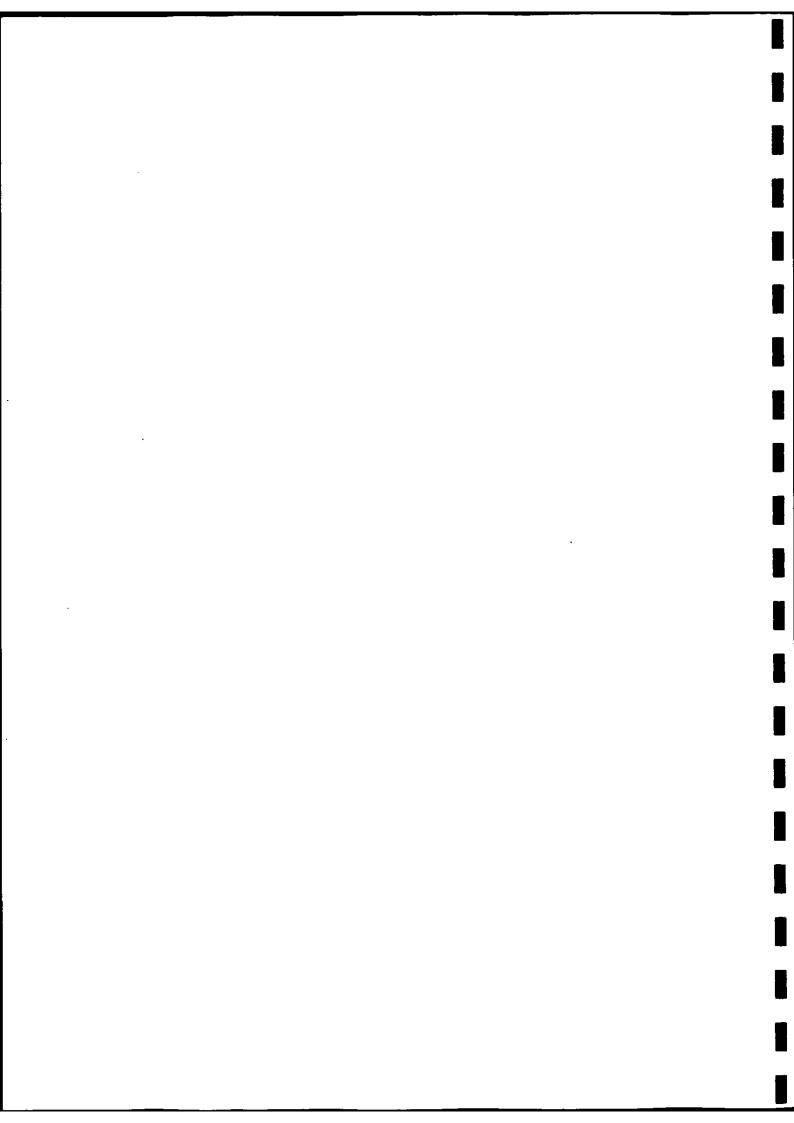
4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year was as follows:

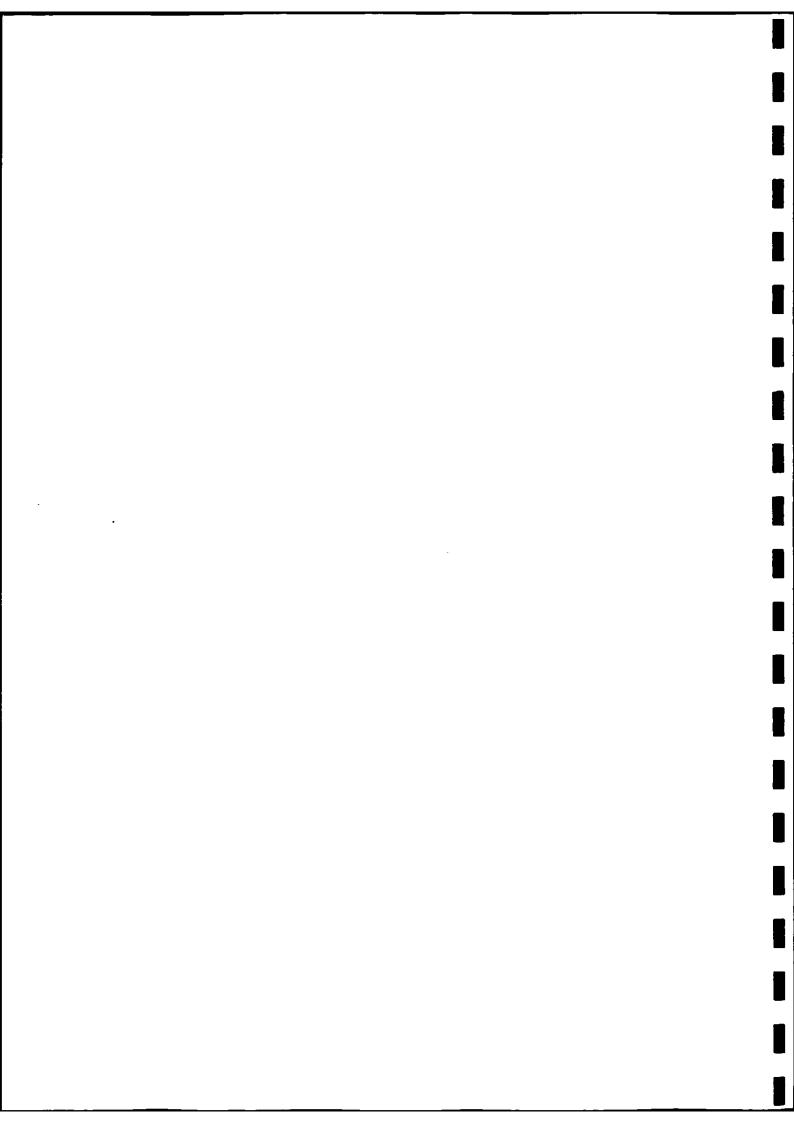
	Number	Number of employees	
	2011	2010	
Administration	8	8	
The aggregate payroll costs of these persons were as follows:			
,	2011	2010	
	£000	£000	
Wages and salaries	405	477	
Social security costs	48	51	
Other pension costs	33	33	
	486	561	



Notes	s (continuea)			
5	Interest receivable and similar income			
			2011 £000	2010 £000
Receiv	able from bank deposits		29	12
6	Taxation			
			2011 £000	2010 £000
	rporation tax at 20.8% (2010: 21%) on the loss for the year inary activities		<u>-</u>	_
	x charge for the year is higher than (2009/10: higher) the sta 10: 21%). The differences are explained below:	ndard rate of corp	oration tax in the	UK at 20.8%
(200)	10. 217by. The differences are explained below.		2011 £000	2010 £000
Loss o	n ordinary activities before taxation		(4)	(1)
	n ordinary activities multiplied by standard rate of corporation tax UK of 20.8% (2010: 21%)		(1)	(1)
Effects Expen	ses not deductible for tax purposes		1	1
			-	-
7	Tangible fixed assets			
	,	Leasehold Improvements £000	Office equipment £000	Total £000
Cost At beg Additi	inning of year ons	46	77 6	123 6
At end	of year	46	83	129
At beg	ciation tinning of year e for year	24 2	73 2	97 4
At end	l of year	26	75	101
	ook value May 2011	20	8	28
At 31	May 2010	22	4	26



8 Debtors	2011	2010
	£000	£000
Trade debtors	925	6
Other debtors	838	694
Prepayments and accrued income	1,418	2,044
	3,181	2,744
In 2010/11 one loan (2009/10: one) was made to a club for £60,000 (2009/10: £ the balance outstanding at the Bank of Scotland base rate. An amount of £60,000 outstanding at the year-end.	(100,000). Interest v (100,000) (2009/10: £100,	vas charged on 000) remained
9 Creditors: amounts falling due within one year		
	2011	2010
	0002	£000
Trade creditors	217	166
Taxation and social security	17	19
Accruals and deferred income	7,169	5,932
	7,403	6,117
10 Called up share capital		
	2011	2010
	£	£
Authorised Equity: 12 ordinary shares of £1 each	12	12
		,
Allotted, called up and fully paid Equity: 12 ordinary shares of £1 each	12	12
11 Profit and loss account		
		£000
At beginning of year		(192)
Loss for the year		(4)
At end of year		(196)



12 Pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the fund and amounted to £33,000 (2010: £33,000).

At the year-end, contributions amounting to £2,000 (2010: £4,000) were payable to the fund and are included in creditors.

13 Commitments

At 31 May 2011 the company had annual commitments under noncancellable operating leases as follows:

Operating leases which expire:	2011 Buildings £000	2010 Buildings £000	2011 Other £000	2010 Other £000
Within one year	-	-	_	-
Within two to five years	-	- 22	5	9
After five years	32	32	-	
	32	32	5	9
			<u></u>	
14 Analysis of cash flows				
		2011		010
	£000	£000	£000	£000
Returns on investment and servicing of finance				
Interest received	29		12	
		20		12
		29		12
Capital expenditure and financial investment				
Purchase of tangible fixed assets		6		3
				
15 Analysis of net cash				
		At beginning	Cash	At end
		of year	flow	of year
		£000	£000	£000
Cash at bank and in hand		3,155	843	3,998

