

**COMPANY NUMBER 189754**

**YEOVIL FOOTBALL AND  
ATHLETIC CLUB LIMITED**

**ABBREVIATED FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE 2003**



**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2003**

The directors present their report and the financial statements for the year ended 30 June 2003.

**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The principal activity of the company is the running of a professional football club and providing stadium facilities.

The directors report a loss for the year of £297,370 (2002: £406,117 loss), which has decreased the shareholders funds at the year end to £113,830.

Though another trading loss has been reported for the year, the directors are looking ahead with confidence. Since the 30 June 2003, the football club has successfully been promoted to the third division of the Football League which will provide new revenue generating opportunities.

**RESULTS AND DIVIDENDS**

The results for the year are set out on page 4.

The directors do not recommend payment of a final dividend.

**DIRECTORS AND THEIR INTERESTS**

The directors who served during the year and their interests in the company are as stated below:

		<b>Ordinary shares</b>	
		<b>30 June 2003</b>	<b>30 June 2002</b>
Mr J R Fry		500	500
Mr S P Allinson		200	200
Mr G R Smith	died 24 January 2003	-	7,755
Mr D J Cox		-	200
Mr P Sargent	appointed 20 March 2003	-	-

**DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

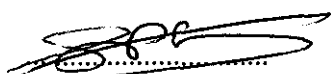
**DIRECTORS' REPORT CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2003**

**AUDITORS**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Milsted Langdon be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

This report was approved by the Board on 23<sup>rd</sup> March 2004 and signed on its behalf by



**S. P. ATKINSON**  
**Secretary**

# **INDEPENDENT AUDITORS' REPORT TO YEOVIL FOOTBALL AND ATHLETIC CLUB LIMITED**

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## **UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements set out on pages 4 to 19 together with the financial statements of Yeovil Football and Athletic Club Limited for the year ended 30 June 2003 prepared under Section 226 of the Companies Act 1985.

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

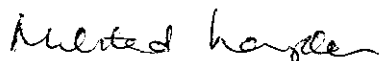
The directors are responsible for preparing abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

### **Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 30 June 2003, and the abbreviated financial statements on pages 4 to 19 are properly prepared in accordance with that provision.



**MILSTED LANGDON**

**CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS**

**YEOVIL, 26 March 2004**

**YEOVIL FOOTBALL AND ATHLETIC CLUB LIMITED****4****ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2003**

		<b>Continuing operations</b>	
		<b>2003</b>	<b>2002</b>
		<b>£</b>	<b>£</b>
	<b>Notes</b>		
<b>GROSS LOSS</b>		(463,201)	(475,640)
Administrative expenses		(260,634)	(300,644)
Other operating income		425,917	376,650
<b>OPERATING LOSS</b>	<b>2</b>	(297,918)	(399,634)
Other interest receivable and similar income	<b>3</b>	891	25
Interest payable and similar charges	<b>4</b>	(343)	(4,662)
<b>LOSS ON ORDINARY ACTIVITIES</b>		(297,370)	(404,271)
Tax on loss on ordinary activities	<b>7</b>	-	-
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(297,370)	(404,271)
Non-equity dividends	<b>8</b>	-	(1,846)
<b>LOSS FOR THE YEAR</b>		(297,370)	(406,117)
Accumulated loss brought forward		(451,014)	(44,897)
<b>ACCUMULATED LOSS CARRIED FORWARD</b>		(748,384)	(451,014)

There are no recognised gains or losses, other than the profit or loss, for the above two financial years.

The notes on pages 7 to 19 form part of these financial statements.

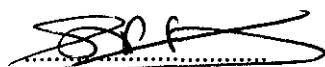
Auditors' report - page 3.


**ABBREVIATED BALANCE SHEET  
AS AT 30 JUNE 2003**

	Notes	2003		2002	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	9		22,149		31,319
Tangible assets	10		1,561,899		1,537,900
			<u>1,584,048</u>		<u>1,569,219</u>
<b>CURRENT ASSETS</b>					
Stocks	11	15,138		11,492	
Debtors	12	68,793		204,299	
Cash at bank and in hand		326,712		33,880	
		<u>410,643</u>		<u>249,671</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	(601,313)		(480,101)	
<b>NET CURRENT LIABILITIES</b>			<u>(190,670)</u>		<u>(230,430)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,393,378</u>		<u>1,338,789</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14		(1,101,619)		(751,619)
<b>Accruals and deferred income</b>	15		<u>(177,929)</u>		<u>(171,901)</u>
<b>NET ASSETS</b>			<u>113,830</u>		<u>415,269</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		624,430		624,430
Revaluation reserve	17		237,733		241,802
Other reserves	17		51		51
Profit and loss account	17		<u>(748,384)</u>		<u>(451,014)</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>	18		<u>113,830</u>		<u>415,269</u>

The abbreviated financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies .

The abbreviated financial statements were approved by the Board on 23<sup>rd</sup> March 2004 and signed on its behalf by

  
Director

  
Director

The notes on pages 7 to 19 form part of these financial statements.

Auditors' report - page 3.

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2003**

	Notes	2003 £	2002 £
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>			
Operating loss		(297,918)	(399,634)
Depreciation		88,220	42,283
(Increase) in stocks		(3,646)	(3,852)
Decrease/(increase) in debtors		135,506	(77,069)
Increase in creditors		121,221	203,610
Government grant released		(3,972)	(3,640)
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>		<b>39,411</b>	<b>(238,302)</b>

**CASH FLOW STATEMENT**

Net cash outflow from operating activities		39,411	(238,302)
Returns on investments and servicing of finance	23	548	(6,483)
Capital expenditure	23	(97,118)	(92,667)
		(57,159)	(337,452)
Financing	23	350,000	473,119
<b>INCREASE IN CASH IN THE YEAR</b>		<b>292,841</b>	<b>135,667</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 24)**

<b>INCREASE IN CASH IN THE YEAR</b>	292,841	135,667
Cash inflow from decrease in debts and lease financing	(350,000)	(473,119)
Change in net debt resulting from cash flows	(57,159)	(337,452)
<b>NET DEBT AT 1 JULY 2002</b>	<b>(717,748)</b>	<b>(380,296)</b>
<b>NET DEBT AT 30 JUNE 2003</b>	<b>(774,907)</b>	<b>(717,748)</b>

The notes on pages 7 to 19 form part of these financial statements.

Auditors' report - page 3.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003****1. ACCOUNTING POLICIES****1.1. Accounting convention**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention as modified to include the revaluation of certain fixed assets.

**1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

**1.3. Intangible fixed assets and amortisation**

Transfer fees payable are capitalised in the year in which the player is bought and amortised over the initial contract life. Transfer fees conditional on player and/or team performance related measures are capitalised as when they crystallise and are amortised over the remaining contract life.

Where a contract is re-negotiated prior to the expiry of its original term, the net book value at that time is amortised over the remaining revised contract life.

**1.4. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight line over the useful life of the buildings
Plant and machinery	-	15% reducing balance
Fixtures, fittings and equipment	-	33 1/3% straight line

**1.5. Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**1.6. Stock**

Stock is valued at the lower of cost and net realisable value.

**1.7. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

**1.8. Deferred taxation**

Deferred tax is provided in respect of the tax effect of all timing differences, to the extent that it is probable that a liability or asset will crystallise in the foreseeable future, at the rates of tax expected to apply when the timing differences reverse.

**1.9. Grants**

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.



**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)****1.10. Going concern**

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

During the year, the company incurred a loss after taxation of £297,370. At the balance sheet date the company's balance sheet showed that current liabilities exceeded current assets by £190,670. The company has no bank overdraft facilities. The directors anticipate that the company will make a profit in the year ending 30 June 2004.

In order to continue in operational existence as a going concern, and to meet its liabilities as they fall due, the company is dependent on the continuing financial support from its controlling shareholder, Mr J I Goddard-Watts, by way of him not requiring repayment of his loan in the foreseeable future. As explained in Note 15, Mr J I Goddard-Watts has resolved not to call for repayment of the amounts due within the next twelve months.

The directors consider that on this basis it is appropriate to prepare the financial statements on the going concern basis.

**1.11 Other operating income**

Donations are credited to income in the period in which they are received. Any other operating income is credited to the profit and loss account in the period in which it falls due.

**1.12 Deferred income**

Revenue derived from season tickets, advertising and sponsorship and subscriptions is credited to income in the year to which it relates.

**1.13 Contractual liabilities under players' contracts**

Contractual liabilities under players' contracts are written off in the year in which they become payable.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

<b>2. OPERATING LOSS</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Operating loss is stated after charging:		
Amortisation and impairment of players	29,170	15,329
Depreciation of tangible assets	59,050	23,321
Loss on disposal of intangible fixed assets	-	6,007
Operating lease rentals		
- Plant and machinery	18,231	20,603
Auditors' remuneration	5,000	5,000
Exceptional items		
- Exceptional administrative expenditure	-	40,619
and after crediting:		
Profit on disposal of tangible fixed assets	-	2,374
Amortisation of deferred income and grants	3,740	3,640
<b>3. INTEREST RECEIVABLE AND SIMILAR INCOME</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Bank interest	891	25
<b>4. INTEREST PAYABLE AND SIMILAR CHARGES</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	343	4,458
On overdue tax	-	204
	343	4,662

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

**5. EMPLOYEES**

**Number of employees**

The average monthly numbers of employees  
(including the directors) during the year were:

	<b>2003 Number</b>	<b>2002 Number</b>
Playing staff	32	30
Management and administration staff	15	15
Commercial and bar/catering staff	43	43
Stewards	66	66
	<u>156</u>	<u>154</u>

Stewards are employed on a part-time basis.

**Employment costs**

	<b>2003 £</b>	<b>2002 £</b>
Wages and salaries	1,297,979	1,090,425
Other pension costs	10,866	3,400
	<u>1,308,845</u>	<u>1,093,825</u>

**5.1. DIRECTORS' EMOLUMENTS**

	<b>2003 £</b>	<b>2002 £</b>
Remuneration and other emoluments included in above	<u>28,000</u>	<u>-</u>
	<b>Number</b>	<b>Number</b>
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>1</u>	<u>-</u>

**6. PENSION COSTS**

The company contributes to personal pension plans in respect of employees. The plans and their assets are held by independent managers. A stakeholder pension scheme is operated for employees. The pension charge represents contributions due from the company and amounted to £10,866 (2002 - £3,400).

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

**7. TAX ON LOSS ON ORDINARY ACTIVITIES**

No charge to taxation arises in the current or preceeding year due to losses being incurred and no provision for deferred taxation is required.

**Factors affecting tax charge for period**

The effective tax rate assessed on the loss on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Loss on ordinary activities before taxation	(297,370)	(404,271)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (30 June 2002 : 19%)	(56,500)	(76,811)
Expenses not deductible for tax purposes (primarily transfer fee amortisation)	5,102	10,007
Capital allowances for period in excess of depreciation	8,917	4,607
Addition to tax losses	42,481	62,197
Current tax charge for period	-	-

No provision has been made for deferred tax on gains recognised on the freehold property revalued during the period ended 30 June 1998. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The total amount unprovided for is £47,500 (2002: £47,500). At present, it is not envisaged that any tax will become payable in the foreseeable future.

The company has tax losses at 30 June 2003 of approximately £1,803,490 (2002: £1,579,906) that are available indefinitely for offset against future taxable profits. A deferred tax asset has not been recognised in respect of these losses as they do not satisfy the recognition criteria for deferred tax asset in FRS 19.

**8. DIVIDENDS**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Dividends on non-equity shares:</b>		
Preference shares - Final paid	-	1,846

During the year the company paid £nil dividends to the shareholders on their Preference shares.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

**9. INTANGIBLE FIXED ASSETS**

	<b>Transfer fees £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 July 2002	50,000	50,000
Additions	20,000	20,000
At 30 June 2003	<u>70,000</u>	<u>70,000</u>
<b>Provision for diminution in value</b>		
At 1 July 2002	18,681	18,681
Charge for year	29,170	29,170
At 30 June 2003	<u>47,851</u>	<u>47,851</u>
<b>Net book values</b>		
At 30 June 2003	<u>22,149</u>	<u>22,149</u>
At 30 June 2002	<u>31,319</u>	<u>31,319</u>

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

**10. TANGIBLE FIXED ASSETS**

	<b>Freehold land and buildings</b>	<b>Plant and machinery</b>	<b>Fixtures, fittings and equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 July 2002	1,571,277	183,317	11,031	1,765,625
Additions	56,046	26,707	4,365	87,118
At 30 June 2003	1,627,323	210,024	15,396	1,852,743
<b>Depreciation</b>				
At 1 July 2002	79,770	140,990	6,965	227,725
Charge for the year	48,408	9,983	4,728	63,119
At 30 June 2003	128,178	150,973	11,693	290,844
<b>Net book values</b>				
At 30 June 2003	1,499,145	59,051	3,703	1,561,899
At 30 June 2002	1,491,507	42,327	4,066	1,537,900

The company's freehold property is stated as the Open Market Value for Existing Use based on a professional valuation issued on 16 February 1998 and carried out by David Morgan & Partners, Chartered Surveyors who are independent valuers. The freehold property comprises the land and buildings at Huish Park, Lufton Way, Yeovil. A full copy of the valuation may be inspected at the office of the Company Secretary. In the directors' opinion the value of freehold land and buildings is in excess of the reported net book value.

The historical cost of freehold land and buildings included above at a valuation of £1,258,519 (2001: £1,258,519) was £1,022,343 (2001: £1,022,343) and the aggregate historical cost depreciation thereon would have been £87,223 (2001: £67,223).

Included in freehold land and buildings is land with a net book value of £250,000 (2002: £250,000) which is not depreciated.

**11. STOCKS**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Goods for resale	15,138	11,492

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

<b>12. DEBTORS</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade debtors	51,939	138,027
Other debtors	6,463	62,835
Prepayments and accrued income	10,391	3,437
	<u>68,793</u>	<u>204,299</u>

<b>13. CREDITORS: amounts falling due within one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Bank overdraft	-	9
Trade creditors	77,621	192,092
Other taxes and social security costs	98,975	45,297
Other creditors	401	3,986
Accruals and deferred income	424,316	238,717
	<u>601,313</u>	<u>480,101</u>

Included in accruals and deferred income is an amount of £3,740 (2002: £3,508) for deferred income in respect of donations and grants receivable for the funding of the Home Terrace Stand, which is included in freehold land and buildings. This funding is released to the profit and loss account over a period not in excess of 50 years.

<b>14. CREDITORS: amounts falling due after more than one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Amounts due to ultimate controlling party	<u>1,101,619</u>	<u>751,619</u>

The loan of £1,101,619 (2002: £751,619) is secured on a formal debenture over the freehold property of the company. The loan is repayable upon demand and reserves the right to interest at a rate of 3% above the bank's base rate. The ultimate controlling party, Mr J I Goddard-Watts, has resolved not to call for repayment of the amount due to him within the next twelve months.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

<b>15. ACCRUALS AND DEFERRED INCOME</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Deferred income</b>		
At 1 July 2002	171,901	141,763
Increase in year	10,000	33,778
	<hr/>	<hr/>
	181,901	175,541
Released in year	(3,972)	(3,640)
	<hr/>	<hr/>
At 30 June 2003	177,929	171,901

Deferred income of £177,929 (2002: £171,901) is in respect of donations and grants receivable for the funding of the Home Terrace Stand, which is included in freehold land and buildings. This funding is released to the profit and loss account over a period not in excess of 50 years. In accordance with accounting principles, £3,740 (2002: £3,508) is included in the financial statements as amounts due within one year.

<b>16. SHARE CAPITAL</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Authorised equity</b>		
650,000 Ordinary shares of £1 each	650,000	650,000
	<hr/>	<hr/>
<b>Allotted, called up and fully paid equity</b>		
624,430 Ordinary shares of £1 each	624,430	624,430
	<hr/>	<hr/>



**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

**17. EQUITY RESERVES**

	<b>Revaluation reserve £</b>	<b>Profit and loss account £</b>	<b>Other reserve £</b>	<b>Total £</b>
At 1 July 2002	241,802	(451,014)	51	(209,161)
Transfer of realised profit	(4,069)	-	-	(4,069)
Loss for the year	-	(297,370)	-	(297,370)
At 30 June 2003	<u>237,733</u>	<u>(748,384)</u>	<u>51</u>	<u>(510,600)</u>

**Restatement of prior year figures**

The Board of Directors have considered the presentation and allocation of certain items of income and cost of sales which have been netted off in prior period financial statements. As the company has grown the figures have become material and the Board have taken the opportunity in these financial statements to adjust the allocations.

The comparative figures for sales, cost of sales and other income have been restated accordingly. The net loss for that year has remained as £406,117 and there have been no other gains or losses recognisable in that year.

<b>18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>	<b>2003 £</b>	<b>2002 £</b>
Loss for the year	(297,370)	(404,271)
Dividends	-	(1,846)
	<u>(297,370)</u>	<u>(406,117)</u>
Other recognised gains or losses	(4,069)	(12,547)
Net addition to/deduction from shareholders' funds	<u>(301,439)</u>	<u>(418,664)</u>
Opening shareholders' funds	415,269	833,933
Closing shareholders' funds	<u>113,830</u>	<u>415,269</u>

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

**19. FINANCIAL COMMITMENTS**

At 30 June 2003 the company had annual commitments under non-cancellable operating leases as follows:

	<b>2003</b>	<b>Other 2002</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Within one year	-	19,717
Between one and five years	5,908	2,245
	<u>5,908</u>	<u>21,962</u>

**20. CAPITAL COMMITMENTS**

<b>2003</b>	<b>2002</b>
<b>£</b>	<b>£</b>

Details of capital commitments at the accounting date are as follows:

Contracted for but not provided in the financial statements

<u>200,000</u>	<u>-</u>
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60% of the value of this capital expenditure will be recoverable by way of Football Stadia Improvement Fund grants.

**21. CONTINGENT LIABILITIES**

The company may receive, under transfer agreements, further amounts for players already sold on again for profit. No reliable estimate can be made on the likelihood of these players transferred or their potential transfer values.

The company has, under transfer agreements, a liability to pay additional sums dependent on players' attainment and any subsequent transfer value. No provision has been made in these financial statements for such liabilities and no reliable estimates can be made of any subsequent transfer values.

If the company ceases to use the ground, all or a proportion of the deferred income received in respect of the Home Terrace Stand project may become repayable. The maximum amount of this contingent liability is £181,669 (2002: £175,409).

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

**22. RELATED PARTY TRANSACTIONS**

At 30 June 2003, Mr J I Goddard-Watts had made a loan to the company of £1,101,619 (2002: £751,619).

At 30 June 2003 no interest was due on the loan, but Mr J I Goddard-Watts reserves the right to charge interest at a rate of 3% above National Westminster Bank plc Base Rate in the future. The loan is secured on an all monies debenture.

**23. GROSS CASH FLOWS**

	2003 £	2002 £
<b>Returns on investments and servicing of finance</b>		
Interest received	891	25
Interest paid	(343)	(4,662)
Preference dividends paid	-	(1,846)
	<hr/> 548	<hr/> (6,483)
<b>Capital expenditure</b>		
Payments to acquire intangible assets	(20,000)	(25,000)
Payments to acquire tangible assets	(87,118)	(118,149)
Receipts from sales of tangible assets	-	16,704
Receipt of grant	10,000	33,778
	<hr/> (97,118)	<hr/> (92,667)
<b>Financing</b>		
Other new long term loans	<hr/> 350,000	<hr/> 473,119

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003  
(CONTINUED)**

**24. ANALYSIS OF CHANGES IN NET DEBT**

	<b>Opening balance</b>	<b>Cash flows</b>	<b>Closing balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	33,880	292,832	326,712
Overdrafts	(9)	9	-
	<u>33,871</u>	<u>292,841</u>	<u>326,712</u>
Debt due after one year	(751,619)	(350,000)	(1,101,619)
<b>Net debt</b>	<u>(717,748)</u>	<u>(57,159)</u>	<u>(774,907)</u>