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BOSTON PHOENIX FOOTBALL CLUB LIMITED

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 1996



**DUNCAN
& TOPLIS**
CHARTERED ACCOUNTANTS
& REGISTERED AUDITOR

BOSTON PHOENIX FOOTBALL CLUB LIMITED

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FOR THE YEAR ENDED 31 MAY 1996**

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BOSTON PHOENIX FOOTBALL CLUB LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 1996**

DIRECTORS:

M G Vines
J Rose
J Nuttall
Mrs S G Nuttall
Mrs P Massam
B Curtis
R G Brown
A Crick

SECRETARY:

J Rose

REGISTERED OFFICE:

The Stadium
Tattershall Road
Boston
Lincolnshire

REGISTERED NUMBER:

02294920 (England and Wales)

ACCOUNTANTS:

Duncan & Toplis
Chartered Accountants
47, 51 & 53 High Street
Boston
Lincolnshire
PE21 8SP

BOSTON PHOENIX FOOTBALL CLUB LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 1996**

The directors present their report with the financial statements of the company for the year ended 31 May 1996.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the management of an Association Football team.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 31 May 1996.

DIRECTORS

The directors during the year under review were:

M G Vines

J Rose

J Nuttall

Mrs S G Nuttall

Mrs P Massam

B Curtis

R G Brown

A Crick

- appointed 13.2.96

ON BEHALF OF THE BOARD:



J Rose - SECRETARY

Dated: 18 September 1997

BOSTON PHOENIX FOOTBALL CLUB LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 1996**

| | | 1996 | 1995 |
|--|-------|------------------|------------------|
| | Notes | £ | £ |
| TURNOVER | 2 | 79,148 | 67,935 |
| Cost of sales | | 59,232 | 52,066 |
| GROSS PROFIT | | 19,916 | 15,869 |
| Administrative expenses | | 26,815 | 21,178 |
| OPERATING LOSS | 4 | (6,899) | (5,309) |
| Interest payable and similar charges | 5 | 4,026 | 2,625 |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | (10,925) | (7,934) |
| Tax on loss on ordinary activities | 6 | - | - |
| LOSS FOR THE FINANCIAL YEAR AFTER TAXATION | | (10,925) | (7,934) |
| Deficit brought forward | | (20,696) | (12,762) |
| DEFICIT CARRIED FORWARD | | <u>£(31,621)</u> | <u>£(20,696)</u> |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

BOSTON PHOENIX FOOTBALL CLUB LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MAY 1996**

| | 1996 | 1995 |
|---|----------------|-----------------|
| | £ | £ |
| LOSS FOR THE FINANCIAL YEAR | (10,925) | (7,934) |
| Revaluation of buildings | 63,290 | - |
| TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR | <u>£52,365</u> | <u>£(7,934)</u> |

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 MAY 1996**

| | 1996 | 1995 |
|---|----------------|-----------------|
| | £ | £ |
| REPORTED LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | (10,925) | (7,934) |
| Revaluation of buildings | 63,290 | - |
| HISTORICAL COST PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION | <u>£52,365</u> | <u>£(7,934)</u> |
| Historical cost profit/(loss) for the year retained after taxation | <u>£52,365</u> | <u>£(7,934)</u> |

BOSTON PHOENIX FOOTBALL CLUB LIMITED

BALANCE SHEET
31 MAY 1996

| | | 1996 | | 1995 | |
|--|-------|---------------|-----------------|---------------|------------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS: | | | | | |
| Tangible assets | 7 | | 84,326 | | 19,215 |
| CURRENT ASSETS: | | | | | |
| Stocks | 8 | 1,250 | | 900 | |
| Debtors | 9 | 11,663 | | 17,546 | |
| Cash in hand | | 895 | | 200 | |
| | | <u>13,808</u> | | <u>18,646</u> | |
| CREDITORS: Amounts falling due within one year | 10 | <u>36,491</u> | | <u>37,712</u> | |
| NET CURRENT LIABILITIES: | | | <u>(22,683)</u> | | <u>(19,066)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES: | | | 61,643 | | 149 |
| CREDITORS: Amounts falling due after more than one year | 11 | | <u>29,974</u> | | <u>20,845</u> |
| | | | <u>£31,669</u> | | <u>£(20,696)</u> |
| RESERVES: | | | | | |
| Revaluation reserve | 13 | | 63,290 | | - |
| Profit and loss account | | | <u>(31,621)</u> | | <u>(20,696)</u> |
| | 14 | | <u>£31,669</u> | | <u>£(20,696)</u> |

The notes form part of these financial statements

BOSTON PHOENIX FOOTBALL CLUB LIMITED

BALANCE SHEET
31 MAY 1996

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ending 31 May 1996.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

ON BEHALF OF THE BOARD:

J Rose - DIRECTOR

M G Vines - DIRECTOR

Approved by the Board on 18 September 1997

BOSTON PHOENIX FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 1996

1. ACCOUNTING POLICIES

Accounting convention

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

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-------------------------------|-------------------------------|
| Buildings | - Straight line over 15 years |
| Ground fixtures and equipment | - 10% on cost |

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

The company's principal activity was carried on within the United Kingdom.

3. STAFF COSTS

| | 1996 | 1995 |
|-----------------------|--------|-------|
| | £ | £ |
| Wages and salaries | 10,640 | 9,405 |
| Social security costs | 160 | 272 |
| | <hr/> | <hr/> |
| | 10,800 | 9,677 |
| | <hr/> | <hr/> |

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

| | 1996 | 1995 |
|-----------|-------|-------|
| Directors | 7 | 7 |
| Players | 18 | 18 |
| Others | 3 | 1 |
| | <hr/> | <hr/> |
| | 28 | 26 |
| | <hr/> | <hr/> |

BOSTON PHOENIX FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 1996

4. OPERATING LOSS

The operating loss is stated after charging:

| | 1996 £ | 1995 £ |
|-----------------------------|-------------------|-------------------|
| Hire of plant and machinery | - | 602 |
| Depreciation - owned assets | 590 | 1,366 |
| | <u> </u> | <u> </u> |
| Directors' emoluments | - | - |
| | <u> </u> | <u> </u> |

5. INTEREST PAYABLE AND SIMILAR CHARGES

| | 1996 £ | 1995 £ |
|--------------------|-------------------|-------------------|
| Bank interest | 722 | 129 |
| Bank loan interest | 2,456 | 2,496 |
| Loan interest | 848 | - |
| | <u> </u> | <u> </u> |
| | 4,026 | 2,625 |
| | <u> </u> | <u> </u> |

6. TAXATION

No liability to UK Corporation tax arose on ordinary activities for the year ended 31 May 1996 nor for the year ended 31 May 1995.

7. TANGIBLE FIXED ASSETS

| | Buildings | Ground fixtures and equipment | Totals |
|---------------------------|-------------------|--|-------------------|
| | £ | £ | £ |
| COST OR VALUATION: | | | |
| At 1 June 1995 | 19,176 | 4,547 | 23,723 |
| Additions | 2,411 | - | 2,411 |
| Surplus on revaluation | 60,413 | - | 60,413 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 May 1996 | 82,000 | 4,547 | 86,547 |
| | <u> </u> | <u> </u> | <u> </u> |
| DEPRECIATION: | | | |
| At 1 June 1995 | 2,877 | 1,631 | 4,508 |
| Charge for year | - | 590 | 590 |
| Revaluation adjustment | (2,877) | - | (2,877) |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 May 1996 | - | 2,221 | 2,221 |
| | <u> </u> | <u> </u> | <u> </u> |
| NET BOOK VALUE: | | | |
| At 31 May 1996 | 82,000 | 2,326 | 84,326 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 May 1995 | 16,299 | 2,916 | 19,215 |
| | <u> </u> | <u> </u> | <u> </u> |

BOSTON PHOENIX FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1996**

7. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 May 1996 is represented by:

| | Buildings | Ground fixtures and equipment | Totals |
|-------------------|---------------|--|---------------|
| | £ | £ | £ |
| Valuation in 1996 | 60,413 | - | 60,413 |
| Cost | 21,587 | 4,547 | 26,134 |
| | <u>82,000</u> | <u>4,547</u> | <u>86,547</u> |

If the buildings had not been revalued they would have been included at the following historical cost:

| | 1996 £ | 1995 £ |
|--|---------------|-----------|
| Cost | 21,587 | - |
| Aggregate depreciation | <u>3,954</u> | <u>-</u> |
| Value of land in freehold land and buildings | <u>17,633</u> | <u>-</u> |

Buildings were valued on an existing use basis on 26 February 1996 by James Eley & Son, Chartered Surveyors.

At 31 May 1996 there remained 15 years unexpired of the lease relating to the buildings. No depreciation has been charged in these accounts, however it is the directors intention to write off the valuation of the buildings over the next 15 years.

8. STOCKS

| | 1996 £ | 1995 £ |
|-------|--------------|------------|
| Stock | <u>1,250</u> | <u>900</u> |

**9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

| | 1996 £ | 1995 £ |
|-----------------|---------------|---------------|
| Other debtors | 11,617 | 17,500 |
| ACT recoverable | 46 | 46 |
| | <u>11,663</u> | <u>17,546</u> |

BOSTON PHOENIX FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1996**

**10. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

| | 1996 £ | 1995 £ |
|--|---------------|---------------|
| Bank loans and overdrafts (see note 12) | 13,440 | 7,102 |
| Brewery loan (see note 12) | 1,200 | - |
| Trade creditors | 10,403 | 23,176 |
| Loans | 2,500 | 2,500 |
| Value added tax | 1,813 | - |
| Other taxes and social security costs | - | 924 |
| Corporation tax | 199 | - |
| Accruals and deferred income | 6,936 | 4,010 |
| | <u>36,491</u> | <u>37,712</u> |

**11. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

| | 1996 £ | 1995 £ |
|-------------------------------|---------------|---------------|
| Bank loans (see note 12) | 20,074 | 20,845 |
| Brewery loan (see note 12) | 9,900 | - |
| | <u>29,974</u> | <u>20,845</u> |

BOSTON PHOENIX FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1996**

12. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

| | 1996 £ | 1995 £ |
|---|---------------|--------------|
| Amounts falling due within one year or on demand: | | |
| Bank overdrafts | 11,348 | 4,035 |
| Bank loans | 2,092 | 3,067 |
| Brewery loan | 1,200 | - |
| | <u>14,640</u> | <u>7,102</u> |

Amounts falling due between one and two years:

| | | |
|--------------|--------------|--------------|
| Bank loans | 2,309 | 2,296 |
| Brewery loan | 1,200 | - |
| | <u>3,509</u> | <u>2,296</u> |

Amounts falling due between two and five years:

| | | |
|--------------|---------------|--------------|
| Bank loans | 7,137 | 8,434 |
| Brewery loan | 3,600 | - |
| | <u>10,737</u> | <u>8,434</u> |

Amounts falling due in more than five years:

| | | |
|--------------------------|---------------|---------------|
| Repayable by instalments | | |
| Bank loans | 10,628 | 10,115 |
| Brewery loan | 5,100 | - |
| | <u>15,728</u> | <u>10,115</u> |

The bank loan is repayable at the rate of £4260 per annum. Interest is chargeable at a rate of 4% above bank base rate per annum, subject to a minimum charge of 10%.

The loan from the brewery is repayable over 10 years and is due to expire on 20 August 2005. Interest is payable monthly at a minimum rate of 9% per annum.

13. REVALUATION RESERVE

| | 1996 £ | 1995 £ |
|---------------------|---------------|-----------|
| Revaluation reserve | <u>63,290</u> | <u>-</u> |

• BOSTON PHOENIX FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1996

14. RECONCILIATION OF MOVEMENTS IN RESERVES

| | 1996 | 1995 |
|---|---------------|-----------------|
| | £ | £ |
| Loss for the financial year | (10,925) | (7,934) |
| Other recognised gains and losses relating to the year (net) | 63,290 | - |
| NET ADDITION/(REDUCTION) TO RESERVES | 52,365 | (7,934) |
| Opening reserves | (20,696) | (12,762) |
| CLOSING RESERVES | 31,669 | (20,696) |

15. SHARE CAPITAL

The company was incorporated under the Companies Act 1985 as a company limited by guarantee and not having a share capital. Every member has undertaken to contribute an amount (not exceeding £1) to the company's assets if it should be wound up, while they are a member or within one year after they cease to be a member.

BOSTON PHOENIX FOOTBALL CLUB LIMITED

**REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF
BOSTON PHOENIX FOOTBALL CLUB LIMITED**

In accordance with instructions given to us we have prepared the financial statements for the year ended 31 May 1996 set out on pages three to twelve from the accounting records and from information and explanations supplied to us by the management of the company.

We have not audited the financial statements. Accordingly, we do not express an audit opinion or any other form of assurance that the accounting records and the financial statements are free from material misstatement.

Duncan & Toplis
Chartered Accountants
47, 51 & 53 High Street
Boston
Lincolnshire
PE21 8SP

Dated: 18 September 1997