

**NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2003**



PEACHEYS
Chartered Accountants & Registered Auditors
22 Chepstow Road
NEWPORT
South Wales
NP19 8EA

NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

CONTENTS	PAGES
Independent auditors' report to the company	1
Independent auditors' report to the shareholders	2 to 3
Abbreviated balance sheet	4
Notes to the abbreviated accounts	5 to 7

NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 7, together with the financial statements of the company for the year ended 30 June 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

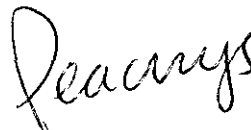
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did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

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 4 to 7 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 3/3/4..... we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 June 2003, and the full text of our audit report is reproduced on pages 2 to 3 of these financial statements.



PEACHEYS
Chartered Accountants
& Registered Auditors

22 Chepstow Road
NEWPORT
South Wales
NP19 8EA

3/3/4.....

NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 30 JUNE 2003

We have audited the financial statements on pages 7 to 13 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on pages 9 to 4.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 30 JUNE 2003

FUNDAMENTAL UNCERTAINTY - GOING CONCERN

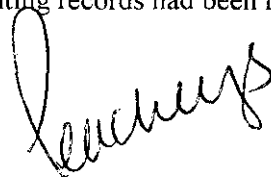
In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the directors' efforts to ensure that the creditors and bank are managed to ensure the company can continue to trade on a going concern basis assumes the successful efforts of the directors in this respect, we consider that these disclosures should be brought to your attention. Our opinion is not qualified in this respect.

QUALIFIED OPINION ARISING FROM LIMITATION IN AUDIT SCOPE

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning cash sales, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2003 and of its loss for the year then ended and have been properly prepared in accordance with Companies Act 1985.

In respect alone of the limitation on our work relating to cash sales:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit;
- we were unable to determine whether proper accounting records had been maintained.



PEACHEYS
Chartered Accountants
& Registered Auditors

22 Chepstow Road
NEWPORT
South Wales
NP19 8EA

3/3/4

NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED

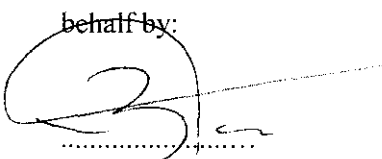
ABBREVIATED BALANCE SHEET

30 JUNE 2003

	Note	2003 £	2002 £
FIXED ASSETS	2		
Tangible assets		<u>91,361</u>	<u>3,915</u>
CURRENT ASSETS			
Debtors		23,689	11,694
Cash at bank and in hand		<u>321</u>	<u>13,797</u>
		24,010	25,491
CREDITORS: Amounts falling due within one year		<u>269,668</u>	<u>130,696</u>
NET CURRENT LIABILITIES		(245,658)	(105,205)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(154,297)</u>	<u>(101,290)</u>
CREDITORS: Amounts falling due after more than one year		4,222	-
GOVERNMENT GRANTS	3	<u>69,123</u>	<u>-</u>
		<u>(227,642)</u>	<u>(101,290)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	288,510	268,510
Profit and loss account		<u>(516,152)</u>	<u>(369,800)</u>
DEFICIENCY		<u>(227,642)</u>	<u>(101,290)</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on and are signed on their behalf by:


.....
W S BROWN

The notes on pages 5 to 7 form part of these abbreviated accounts.

NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - 20% reducing balance

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

1. ACCOUNTING POLICIES *(continued)*

Basis of preparation

The company meets its day-to-day working capital requirements through the ongoing support of its directors, trade creditors and the bank. If this support is removed, it may not be appropriate for the financial statements to be prepared on a going concern basis and as such the company's assets and liabilities may need to be restated.

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.

The validity of this assumption depends on the successful conclusion of the directors managing to pay creditors and remain within its current bank overdraft facility. The financial statements do not include any adjustments that would result if negotiations were not concluded successfully.

Whilst the directors are presently uncertain as to the outcome of both matters mentioned above, they believe that it is appropriate for the financial statements to be prepared on the going concern basis.

Deferred government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 July 2002	10,149
Additions	108,586
At 30 June 2003	118,735
DEPRECIATION	
At 1 July 2002	6,234
Charge for year	21,140
At 30 June 2003	27,374
NET BOOK VALUE	
At 30 June 2003	91,361
At 30 June 2002	3,915

NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

3. GOVERNMENT GRANTS

	2003	2002
	£	£
Received and receivable	86,404	—
Amortisation	(17,281)	—
	<u>69,123</u>	<u>—</u>

4. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
40,000 Ordinary shares of £10 each	<u>400,000</u>	<u>400,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £10 each	<u>28,851</u>	<u>288,510</u>	<u>26,851</u>	<u>268,510</u>

The additional shares issued in the year were all funded by the 'Amber Army Supporters Trust'. The cash injection amounted to £20,000.

5. TRANSACTIONS WITH DIRECTORS

The directors each operate a current loan account with the company, which is debited with payments made by the company on behalf of the directors and credited with funds introduced and undrawn directors' fees. The balance due to the directors at the year end was £75,733 (2002: £97,672), this being included in creditors falling due within one year.

6. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party due to the nature and number of shareholders.