

SC5453.



**THE SCOTTISH FOOTBALL
ASSOCIATION LIMITED**

**CONSOLIDATED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED

31 DECEMBER 2000



GLA G0TXZ5MW 0015
COMPANIES HOUSE 09/11/01

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2000

INDEX	PAGE
Report of the Office Bearers	1 – 2
Report of the auditors	3
Consolidated profit and loss account	4
Consolidated balance sheet	5
Company balance sheet	6
Consolidated cash flow statement	7
Statement of recognised gains and losses	8
Principal accounting policies	9 - 10
Notes to the financial statements	11 - 18

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

REPORT OF THE OFFICE BEARERS

Office Bearers:	President:	J C McGinn
	Vice Presidents:	J F McBeth
		J Oliver
	Treasurer:	G W Peat

The Office Bearers have pleasure in presenting their report together with financial statements for the year ended 31 December 2000.

Principal activities

The principal activity of the Association is the furtherance and control of the game of football in Scotland. In addition a travel agency and a stadium management company are operated through subsidiary undertakings.

Business review

The surplus for the year after taxation amounted to £566,946 (1999: £492,449) and has been transferred to reserves as noted on page 4.

Hampden Park Limited a wholly owned subsidiary was incorporated on 27 September 1999 and commenced trading on 1 April 2000. The principal activity of Hampden Park Limited is to manage Hampden Stadium.

Subsequent to the year end, a decision was taken to transfer the trading assets of Scotball Travel and Leisure Limited, a subsidiary undertaking, to the Association. The subsidiary will then cease to trade. The residual business of the subsidiary will continue as a travel operation within the Association.

Office Bearers and Council

On 12 June 2000, Mr C P Robinson retired as 2nd Vice President and Mr J Oliver was appointed as 2nd Vice President.

The Office Bearers with the exception of Mr J Oliver, who is appointed by the Scottish Football League, are elected every two years at the Annual General Meeting and are due for re-election in 2001.

Mr G W Peat resigned as an office bearer on 3 December 1999 and was reappointed on 4 February 2000.

In accordance with the Articles, the members of Council are elected every two years at the Annual General Meeting and are due for re-election in 2001.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

REPORT OF THE OFFICE BEARERS (CONTINUED)

Office Bearers' responsibilities for the financial statements

Company law requires the Office Bearers to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the office bearers are required to:

- select suitable accounting policies and then 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 Office Bearers are responsible for keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Fixed Assets

All movements in fixed assets are shown in notes 5 and 6 to the financial statements.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

On behalf of the Office Bearers

David Taylor

Secretary
12 April 2001

**REPORT OF THE AUDITORS TO THE MEMBERS OF
THE SCOTTISH FOOTBALL ASSOCIATION LIMITED**

We have audited the financial statements on pages 4 to 18 which have been prepared under the accounting policies set out on pages 9 and 10.

Respective responsibilities of Office Bearers and auditors

As described on page 2 the company's Office Bearers are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

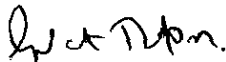
Basis of opinion

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 Office Bearers in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company and the group at 31 December 2000 and of the surplus of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

GLASGOW
12 April 2001

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2000

	Note	2000 £	1999 £
Turnover	1	14,005,771	14,520,599
Cost of sales		8,297,972	9,746,463
Gross profit		5,707,799	4,774,136
Other operating income			
Release from other reserves	10	615,422	532,959
		6,323,221	5,307,095
Grant to The Football Trust		-	500,000
Administrative expenses		6,299,085	4,815,134
Operating profit/(deficit)		24,136	(8,039)
Income from fixed asset investments		147,763	147,706
Gain on realisation of fixed asset investments		14,544	69,062
Interest receivable		384,868	332,631
Surplus for the year before taxation	3	571,311	541,360
Taxation	4	4,365	48,911
Surplus for the year after taxation		566,946	492,449
Transfer to/(from) reserves:			
Community Officers Scheme	10	350,000	350,000
Development Projects Fund	10	220,000	200,000
Direct Training Grant Fund	10	-	(220,000)
Scottish Football Association Museum Trust	10	65,000	60,000
Sports Injuries and Medical Research Trust	10	55,000	50,000
Accumulated surplus	11	(123,054)	52,449
		566,946	492,449

The accompanying accounting policies and notes form an integral part of these financial statements.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2000

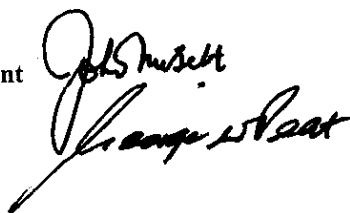
	Note	2000 £	2000 £	1999 £	1999 £
Fixed assets					
Tangible assets	5a		2,279,607		1,629,609
Investments	6		<u>2,609,908</u>		<u>1,591,218</u>
			4,889,515		3,220,827
Current assets					
Debtors	7	2,169,643		876,969	
Cash at bank and in hand	14	<u>5,633,616</u>		<u>5,214,815</u>	
		7,803,259		6,091,784	
Creditors: amounts falling due within one year	8	<u>7,463,704</u>		<u>4,095,065</u>	
Net current assets			<u>339,555</u>		<u>1,996,719</u>
Total assets less current liabilities			<u>5,229,070</u>		<u>5,217,546</u>
Reserves					
General reserve			1,500,000		1,500,000
Investment revaluation reserve	9		418,901		358,901
Other reserves	10		1,971,515		1,896,937
Accumulated surplus	11		<u>1,338,654</u>		<u>1,461,708</u>
			<u>5,229,070</u>		<u>5,217,546</u>

The financial statements were approved by the Office Bearers on 12 April 2001.

President

Vice President

Treasurer



The accompanying accounting policies and notes form an integral part of these financial statements.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

COMPANY BALANCE SHEET AT 31 DECEMBER 2000

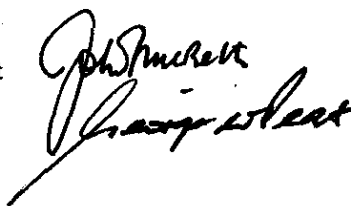
	Note	2000 £	2000 £	1999 £	1999 £
Fixed assets					
Tangible assets	5b		2,151,201		1,606,720
Investments	6		2,639,910		1,621,218
			4,791,111		3,227,938
Current assets					
Debtors	7	1,978,886		826,045	
Cash at bank and in hand		4,645,591		4,596,767	
		6,624,477		5,442,812	
Creditors: amounts falling due within one year	8	6,596,881		3,963,298	
Net current assets			27,596		1,459,514
			4,818,707		4,687,452
Reserves					
General reserve			1,500,000		1,500,000
Investment revaluation reserve	9		418,901		358,901
Other reserves	10		1,971,515		1,896,937
Accumulated surplus			928,291		931,614
			4,818,707		4,687,452

The financial statements were approved by the Office Bearers on 12 April 2001.

President

Vice President

Treasurer



The image shows two handwritten signatures in black ink. The first signature, for the Vice President, is written over the 'Vice President' label. The second signature, for the Treasurer, is written over the 'Treasurer' label. Both signatures are cursive and stylized.

The accompanying accounting policies and notes form an integral part of these financial statements.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2000

	Note	2000 £	2000 £	1999 £	1999 £
Net cash inflow from operating activities	12		1,303,509		11,496
Returns on investments					
Interest received		384,868		332,631	
Income from investments		<u>147,763</u>		<u>147,706</u>	
			532,631		480,337
Taxation					
Taxation (paid)/recovered			(18,912)		113,759
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(395,775)		(38,156)	
Purchase of investments		(1,129,207)		(236,487)	
Proceeds on disposal of tangible fixed assets		1,494		-	
Proceeds on disposal of investments		<u>125,061</u>		<u>214,858</u>	
			(1,398,427)		(59,785)
Increase in cash in the year	13		<u>418,801</u>		<u>545,807</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

For the year ended 31 December 2000

	Note	2000 £	1999 £
Surplus for the financial year		566,946	492,449
Other reserves			
Release to income	10	(615,422)	(532,959)
Surplus arising on revaluation	9	<u>60,000</u>	<u>15,000</u>
Total recognised gains and losses for the period		11,524	(25,510)
Opening reserves		<u>5,217,546</u>	<u>5,243,056</u>
Closing reserves		<u>5,229,070</u>	<u>5,217,546</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 December 2000

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention as modified by the revaluation of certain assets. The principal accounting policies have remained unchanged from the previous year and are set out below.

Basis of consolidation

The group financial statements consolidate those of the company and of its subsidiary undertakings (see note 6). The financial statements of its subsidiary undertakings have been prepared to 31 December 2000.

Association structure

The Association is a company limited by guarantee not having a share capital.

Turnover

Turnover is the amount receivable by the group from its various activities during the accounting period.

Depreciation

Depreciation is calculated at the following rates:

Leasehold Improvements	Straight line over period of lease
Computer and office equipment	25% and 10% straight line
Printing equipment	10% straight line
Heritable property	2% straight line

Deferred taxation

Deferred taxation is the taxation attributable to timing differences between results computed for tax purposes and results as stated in the financial statements, and is provided for where there is a reasonable probability of the tax falling due in the foreseeable future.

Investments

Investments are included at cost, and are classified as fixed assets.

Investment properties

In accordance with Statement of Standard Accounting Practice No 19, investment properties are included in the balance sheet at their open market values. The unrealised surplus on revaluation on individual properties is transferred to the investment revaluation reserve. Depreciation is not provided in respect of freehold investment properties as any charge would be considered insignificant.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 December 2000

Pension costs

The Association operates a defined benefit pension scheme. The pension costs charged to the profit and loss account are designed to provide the anticipated pension costs over the service life of the employees in the scheme. This is based upon an actuarial method and actuarial assumptions which seek to ensure that the pension cost represents a substantially level percentage of the current and expected future pensionable payroll.

Contributions payable for the year to defined contribution schemes are charged to the profit and loss account.

Operating leases

Payments made under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Deferred Expenditure - Rental

The group has entered into a lease for Hampden Stadium. The initial term of the lease is 20 years with an option to extend for a further 20 years.

The lease payments are capable of being reduced depending on circumstances outwith the control of the group. The reduction may take place any time between 10 to 17 years from inception. The rent is being charged to the profit and loss account in equal annual instalments over 20 years assuming the reduction in rent takes place in year 17. The expenditure deferred is included within prepayments and accrued income in the balance sheet.

Other reserves

Other reserves represent individual schemes and projects managed and funded by the Association. Transfers to the reserves are made from the surplus for the year. All expenditure is charged to the profit and loss account in the year in which it is incurred and a corresponding amount is released from the reserve and credited to the profit and loss account.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2000

1 TURNOVER

	2000 £	1999 £
Turnover is analysed as follows:		
Gross match receipts	6,122,984	7,952,442
Other activities	7,882,787	6,568,157
	<u>14,005,771</u>	<u>14,520,599</u>

2 EMPLOYMENT COSTS

The average number of employees of the group during the year and their aggregate emoluments are shown below:

	2000 £	1999 £
Wages and salaries	2,114,852	2,048,384
Social security	227,322	201,421
Other pension costs (see note 17)	427,041	402,499
	<u>2,769,215</u>	<u>2,652,304</u>
Average number of employees of the group during the year	<u>88</u>	<u>73</u>

3 SURPLUS FOR THE YEAR BEFORE TAXATION

The surplus for the year before taxation is stated after:

	2000 £	1999 £
Auditors remuneration:		
Audit services	24,450	17,600
Non-audit services	22,525	34,415
Depreciation	53,103	26,451
Hire of equipment	18,252	3,750
Other operating leases	<u>544,395</u>	<u>-</u>

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2000

4 TAX ON SURPLUS ON ORDINARY ACTIVITIES

The taxation charge is based on the result for the year and is made up as follows:

	2000 £	1999 £
United Kingdom corporation tax at 20% - current year	11,949	20,440
- prior years	(11,656)	25,185
Tax on investment income	4,072	3,286
	<u>4,365</u>	<u>48,911</u>

No provision has been made for taxation which would accrue if the investment properties were disposed of at their revalued amounts.

5 TANGIBLE FIXED ASSETS

a) The Group

	Land and Buildings			Computer, Printing & Office Equipment	Total
	Leasehold Improvements £	Investment Property £	Heritable Property £	£	£
Cost or valuation					
At 1 January 2000	-	1,030,646	516,077	344,522	1,891,245
Additions at cost	344,100	-	-	300,527	644,627
Disposals	-	-	-	(1,744)	(1,744)
Revaluation (note 9)	-	60,000	-	-	60,000
At 31 December 2000	<u>344,100</u>	<u>1,090,646</u>	<u>516,077</u>	<u>643,305</u>	<u>2,594,128</u>
Depreciation					
At 1 January 2000	-	-	-	261,636	261,636
Provided in the year	2,404	-	10,322	40,377	53,103
Disposals	-	-	-	(218)	(218)
At 31 December 2000	<u>2,404</u>	<u>-</u>	<u>10,322</u>	<u>301,795</u>	<u>314,521</u>
Net book value at 31 December 2000	<u>341,696</u>	<u>1,090,646</u>	<u>505,755</u>	<u>341,510</u>	<u>2,279,607</u>
Net book value at 31 December 1999	<u>-</u>	<u>1,030,646</u>	<u>516,077</u>	<u>82,886</u>	<u>1,629,609</u>

Investment properties were revalued on 31 December 2000 by Messrs Griffin Webster, Chartered Surveyors, at their open market values. The uplift in valuation of £60,000 has been credited to the investment property revaluation reserve (note 9).

Leasehold Improvements include an amount of £61,696 at 31 December 2000 which represents costs incurred at the inception of the lease of the stadium by Hampden Park Limited and are net of external contributions of £1,105,000. The remaining costs represent Tenants Improvements.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2000

TANGIBLE FIXED ASSETS (CONTD)

b) The Company

	Land and buildings					Fixtures & Fittings	Total
	Tenants Improvements £	Investment Property £	Heritable Property £	Computer System £	Printing Equipment £	£	£
Cost or valuation							
At 1 January 2000	-	1,030,646	516,077	183,844	89,256	-	1,819,823
Additions at cost	280,000	-	-	199,826	19,550	18,084	517,460
Revaluation (note 9)	-	60,000	-	-	-	-	60,000
At 31 December 2000	<u>280,000</u>	<u>1,090,646</u>	<u>516,077</u>	<u>383,670</u>	<u>108,806</u>	<u>18,084</u>	<u>2,397,283</u>
Depreciation							
At 1 January 2000	-	-	-	163,949	49,154	-	213,103
Provided in the year	-	-	10,322	9,968	10,881	1,808	32,979
At 31 December 2000	<u>-</u>	<u>-</u>	<u>10,322</u>	<u>173,917</u>	<u>60,035</u>	<u>1,808</u>	<u>246,082</u>
Net book value at 31 December 2000	<u>280,000</u>	<u>1,090,646</u>	<u>505,755</u>	<u>209,753</u>	<u>48,771</u>	<u>16,276</u>	<u>2,151,201</u>
Net book value at 31 December 1999	<u>-</u>	<u>1,030,646</u>	<u>516,077</u>	<u>19,895</u>	<u>40,102</u>	<u>-</u>	<u>1,606,720</u>

Investment properties were revalued on 31 December 2000 by Messrs Griffin Webster, Chartered Surveyors, at their open market values. The uplift in valuation of £60,000 has been credited to the investment property revaluation reserve (note 9).

c) The Group and the Company

If the investment properties had not been revalued, they would have been included on the historical cost basis at the following amounts:

	Investment Property £
Cost	671,745
Accumulated depreciation	-
Net book value at 31 December 2000	<u>671,745</u>
Net book value at 31 December 1999	<u>671,745</u>

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2000

6 INVESTMENTS

The Group	Quoted £
At cost 1 January 2000	1,591,218
Additions	1,129,207
Disposals	(110,517)
At cost 31 December 2000	<u>2,609,908</u>

The market value of quoted investments at 31 December 2000 was £3,602,171 (1999 - £2,752,653).

The Company

In addition to the above quoted investments, the company holds the following investments:

	Investment in subsidiary undertakings £
Cost	
At 1 January 2000	30,000
Additions	2
At 31 December 2000	<u>30,002</u>

Subsidiary Undertakings	Country of Registration	Holding	Proportion held	Nature of Business
Scotball Travel and Leisure Limited	Scotland	Ordinary Shares	100%	Travel Agency
Hampden Park Limited	Scotland	Ordinary Shares	100%	Stadium Management

7 DEBTORS

	The Group		The Company	
	2000 £	1999 £	2000 £	1999 £
Amounts owed by group undertakings	-	-	663,705	31,793
Other debtors	1,734,250	784,625	1,216,916	708,782
Prepayments and accrued income	421,492	84,499	84,364	77,625
Taxation recoverable	13,901	7,845	13,901	7,845
	<u>2,169,643</u>	<u>876,969</u>	<u>1,978,886</u>	<u>826,045</u>

Prepayments and accrued income for the group includes an amount of £61,290 in relation to deferred rental. This amount will be written off in accordance with the accounting policy as discussed on page 10 and is not recoverable within one year.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2000

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2000	1999	2000	1999
	£	£	£	£
Accruals and deferred income	7,365,188	3,934,765	6,511,612	3,813,237
Social security and other taxes	86,567	139,860	74,043	139,860
Corporation tax payable	11,949	20,440	11,226	10,201
	<u>7,463,704</u>	<u>4,095,065</u>	<u>6,596,881</u>	<u>3,963,298</u>

9 INVESTMENT PROPERTY REVALUATION RESERVE

The Group and the Company

	2000	1999
	£	£
At 1 January 2000	358,901	343,901
Arising on revaluation (Note 5)	<u>60,000</u>	<u>15,000</u>
At 31 December 2000	<u>418,901</u>	<u>358,901</u>

10 OTHER RESERVES

	At 1 January 2000 £	Transfer from surplus for the year £	Release to income £	At 31 December 2000 £
Grants scheme	43,850	-	(1,316)	42,534
Approved projects of Affiliated National Associations	14,309	-	(1,164)	13,145
Community Officers Scheme	465,621	350,000	(473,140)	342,481
Development Projects Fund	1,259,002	220,000	(98,461)	1,380,541
Junior Goalposts Scheme	41,341	-	(41,341)	-
Scottish Football Association Museum Trust	22,814	65,000	-	87,814
Sports Injuries and Medical Research Trust	50,000	55,000	-	105,000
	<u>1,896,937</u>	<u>690,000</u>	<u>(615,422)</u>	<u>1,971,515</u>

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2000

11 ACCUMULATED SURPLUS

	2000 £	1999 £
Accumulated surplus at 1 January 2000	1,461,708	1,409,259
(Deficit)/surplus for the year	(123,054)	52,449
Accumulated surplus at 31 December 2000	<u>1,338,654</u>	<u>1,461,708</u>

The retained (deficit)/surplus for the year has arisen from the group companies as follows:

	2000 £	1999 £
By the Association	(3,323)	8,872
By subsidiary undertakings	(119,731)	43,577
	<u>(123,054)</u>	<u>52,449</u>

In accordance with S230 of the Companies Act 1985, the company has not included its own profit and loss account in these financial statements.

12 NET CASH INFLOW FROM OPERATING ACTIVITIES

	2000 £	1999 £
Operating surplus/(deficit)	24,136	(8,039)
Depreciation	53,103	26,451
Loss on disposal of fixed assets	32	-
(Increase)/decrease in debtors	(1,286,618)	681,570
Increase/(decrease) in creditors	3,128,278	(155,527)
Release from other reserves	(615,422)	(532,959)
Net cash inflow from operating activities	<u>1,303,509</u>	<u>11,496</u>

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2000

13 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2000 £	1999 £
Increase in cash in the year	418,801	545,807
Cash outflow from decrease in liquid resources	-	-
Movement in net funds in the year	418,801	545,807
Net funds at 1 January 2000	5,214,815	4,669,008
Net funds at 31 December 2000	5,633,616	5,214,815

The Association manages its liquid resources through the use of overnight and 7 day deposits with Bank of Scotland. Overnight deposits are treated as cash, and 7 days deposits are treated as liquid resources for the purposes of the cash flow statement.

14 ANALYSIS OF NET FUNDS

	At 1 January 2000 £	Cash flow £	At 31 December 2000 £
Cash at bank and in hand	4,214,815	418,801	4,633,616
Short-term deposits	1,000,000	-	1,000,000
	5,214,815	418,801	5,633,616

15 CAPITAL COMMITMENTS

The group and the company

	2000 £	1999 £
Contracted for but not provided in these financial statements	130,166	-

16 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2000 and 31 December 1999.

THE SCOTTISH FOOTBALL ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2000

17 PENSION COMMITMENTS

The Association operates a Pension Scheme of the Defined Benefit type, providing benefits to members based on final pensionable salary. The assets of the scheme are held separately from those of the Association, being invested with an insurance company. As stated on page 10 it is policy that contributions to the scheme are charged to the profit and loss account, to spread the cost of pensions over employees' working lives with the Association. In practice however, due to the relative immateriality of the figures involved, charges in the profit and loss account are on a cash basis in accordance with the contributions paid as set out below. The contributions are determined by a qualified actuary on the basis of regular triennial valuations using the projected unit method. The latest valuation available was carried out in May 1997. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investment and the rates of increase in salaries. It was assumed that investment returns would be 8% per annum and that salary increases would average 6.25% per annum.

The actuarial valuation showed that the market value of the scheme's assets was £3,598,000 and that the actuarial value of those assets represented 104% of the value of the liabilities accrued to the valuation date at 1 May 1997.

The Association also contributes to defined contribution schemes.

The total pension charge for the year was £427,041 (1999 - £402,499).

18 LEASING COMMITMENTS

Operating lease payments amounting to £880,414 (1999 - £85,960) are due within one year. The leases to which these amounts relate expire as follows:

	2000		1999	
	Land and	Other	Land and	Other
	buildings		buildings	
	£	£	£	£
In one year or less	-	60,414	-	85,020
Between one and five years	-	-	-	940
In five years or more	800,000	20,000	-	-
	<u>800,000</u>	<u>80,414</u>	<u>-</u>	<u>85,960</u>