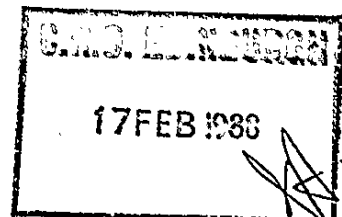


## THE MOTHERWELL FOOTBALL AND ATHLETIC CLUB LIMITED

ACCOUNTS, 30TH APRIL 1987

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THE MOTHERWELL FOOTBALL AND ATHLETIC CLUB LIMITED

DIRECTORS' REPORT  
YEAR ENDED 30TH APRIL 1987

The directors submit their report and the accounts.

PRINCIPAL ACTIVITIES

Throughout the year the company was engaged in the promotion and organisation of professional football and allied activities.

RESULTS AND DIVIDENDS

The results are stated on page 2 of the attached accounts. No dividend is recommended.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

It is gratifying that there was a profit on ordinary activities in spite of a sharp reduction in the income from transfer fees. This was made possible by increased gate income and lower interest charges, the latter arising from the successful share issue in October 1986 and sale of the sports centre. The directors look forward to further progress in 1987/88.

DIRECTORS

Mr M McNeil, Mr I L Livingstone, Mr W H Dickie and Mr J C Chapman acted as directors throughout the year. Mr G J Deans was appointed a director on 22nd September 1986. Their interests in the ordinary shares of the company were -

	AT 1ST MAY 1986	AT DATE OF APPOINTMENT	AT 30TH APRIL 1987
M McNeil	50		50
I L Livingstone	4,590		19,590
W H Dickie	4,992		9,992
J C Chapman	17,159		77,309
G J Deans		1,000	61,000

SHARE ISSUE

During the year the company issued 182,096 (1986 7,236) ordinary shares of £1 each for £184,345 (1986 £28,944) in order to reduce borrowings.

TANGIBLE FIXED ASSETS

Movements in tangible fixed assets are set out on page 5.

AUDITORS

A resolution will be proposed at the annual general meeting to reappoint Finnie & Co, Chartered Accountants, as auditors of the company until the next general meeting at which accounts are presented.

By Order of the Board

*Alexander*

Secretary

# THE MOTHERWELL FOOTBALL AND ATHLETIC CLUB LIMITED

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## PROFIT AND LOSS ACCOUNT YEAR ENDED 30TH APRIL 1987

1986

	NOTE		
TURNOVER	1	£555,522	
RENTAL INCOME		5,482	
OTHER OPERATING INCOME		<u>136,281</u>	£697,285
OPERATING CHARGES			
Employment costs	2	£306,182	
External charges		199,593	
Depreciation of tangible fixed assets	1, 7	3,430	
Other operating charges		<u>98,221</u>	607,426
OPERATING PROFIT			89,859
INTEREST PAYABLE	3		<u>25,806</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4		64,053
TAX CREDIT ON PROFIT ON ORDINARY ACTIVITIES	5		<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			64,053
EXTRAORDINARY CHARGE	6		<u>25,000</u>
PROFIT FOR THE FINANCIAL YEAR	14		<u>£ 39,053</u>

References are to the notes on pages 4 to 7

£565,606
26,593
107,670
£699,869
£250,863
191,248
4,782
93,878
540,771
159,098
55,484
103,614
7,500
111,114
95,038
£ 16,076

# THE MOTHERWELL FOOTBALL AND ATHLETIC CLUB LIMITED

BALANCE SHEET AT 30TH APRIL 1987

1986

	NOTE	
TANGIBLE FIXED ASSETS	7	£512,393
CURRENT ASSETS		
Stocks	1	£ 9,660
Debtors	8	102,918
Cash		<u>66</u>
		112,644
CURRENT LIABILITIES (falling due within one year)	9	<u>173,221</u>
NET CURRENT LIABILITIES		<u>60,577</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		451,816
LIABILITIES (falling due after one year)	10	<u>-</u>
NET ASSETS (representing shareholders' funds - below)		<u>£451,816</u>
CAPITAL AND RESERVES		
Called up share capital	11	£267,816
Share premiums	12	192,988
Capital reserve	13	<u>255,692</u>
		716,496
Profit and loss account accumulated losses	14	<u>264,680</u>
SHAREHOLDERS' FUNDS (represented by net assets - above)		<u>£451,816</u>

References are to the notes on pages 4 to 7

These accounts were approved by the Board on 11th June 1987

*[Signature]*  
*[Signature]*

- Director

- Director

NOTES ON ACCOUNTS  
30TH APRIL 1987

1 ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention modified by the revaluation of heritable property.

TRANSFER FEES

These are written off to the profit and loss account in the year in which they arise.

DEPRECIATION

Depreciation is provided using the reducing balance method at the following annual rates -

Fixtures and fittings - 15%  
Motor vehicles - 25%.

No depreciation is provided on heritable property.

DEFERRED TAXATION

Deferred taxation has not been provided on the revaluation surplus on heritable property since there is no intention at present to dispose of the heritable property.

STOCK

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

TURNOVER

Turnover represents amounts receivable for services provided during the year including transfer fees.

2 EMPLOYMENT COSTS

Wages and salaries  
Social security costs  
Other pension costs

	1986
£267,999	£217,258
25,486	22,823
<u>12,697</u>	<u>10,782</u>
£306,182	£250,863

The average number of employees during the year was -

Players	32	33
Management	3	3
Administration	8	11
Ground staff	<u>1</u>	<u>1</u>
	44	48

THE MOTHERWELL FOOTBALL AND ATHLETIC CLUB LIMITED

NOTES ON ACCOUNTS (CONTINUED)  
30TH APRIL 1987

3

INTEREST PAYABLE

Bank overdraft	£25,422	1986 £44,441
Bank loan	-	10,703
Hire purchase	<u>384</u>	<u>340</u>
	£25,806	£55,484

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PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

is stated after charging -

Auditors' remuneration	£2,093	1986 £1,888
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5

TAX

There are tax losses of approximately £1,026,000 (1986 £1,101,000) available to carry forward against future trading profits.

6

EXTRAORDINARY CHARGE

Reduction in value of leasehold sports centre	£ -	1986 £95,038
Provision for repayment of grant on leasehold sports centre	<u>25,000</u>	<u>-</u>
	£25,000	£95,038

7

TANGIBLE FIXED ASSETS

	HERITABLE PROPERTY	LEASEHOLD SPORTS CENTRE	MOTOR VEHICLES	FIXTURES AND FITTINGS	TOTAL
Cost or valuation -					
At 1st May 1986	£400,000	£183,000	£17,160	£ 7,933	£608,093
Surplus on revaluation in year	54,438	-	-	-	54,438
Additions in year	45,562	-	-	2,443	48,005
Disposals in year	(-)	(183,000)	(6,560)	(-)	(189,560)
At 30th April 1987	<u>£500,000</u>	<u>£ -</u>	<u>£10,600</u>	<u>£10,376</u>	<u>£520,976</u>
Aggregate depreciation -					
At 1st May 1986	£ -	£ -	£ 5,521	£ 2,810	£ 8,331
Charge for year	-	-	2,295	1,135	3,430
On disposals during year	(-)	(-)	(3,178)	(-)	(3,178)
At 30th April 1987	<u>£ -</u>	<u>£ -</u>	<u>£ 4,638</u>	<u>£ 3,945</u>	<u>£ 8,583</u>
Net book value -					
At 30th April 1987	<u>£500,000</u>	<u>£ -</u>	<u>£ 5,962</u>	<u>£ 6,431</u>	<u>£512,393</u>
At 30th April 1986	<u>£400,000</u>	<u>£183,000</u>	<u>£11,639</u>	<u>£ 5,123</u>	<u>£599,762</u>

Heritable property was valued on an alternative use basis by Alan C Daly & Partners, Chartered Surveyors, on 20th March 1987 at £500,000. No depreciation is provided. The corresponding amount determined according to the historical cost accounting rules is £262,808 (1986 £217,246).

NOTES ON ACCOUNTS (CONTINUED)  
30TH APRIL 1987

8	DEBTORS (falling due within one year)		1986
	Trade debtors	£ 51,744	£ 94,457
	Other debtors	41,220	44,229
	Prepayments	<u>9,954</u>	<u>3,949</u>
		<u>£102,918</u>	<u>£142,635</u>
9	CURRENT LIABILITIES (falling due within one year)		1986
	Bank overdraft (secured)	£ 58,974	£317,387
	Bank loan (secured)	-	183,000
	Other secured loans	19,000	26,000
	Trade creditors	18,710	11,638
	Other taxes and social security costs	34,786	18,426
	Other creditors	25,000	5,792
	Accruals and deferred income	<u>16,751</u>	<u>37,560</u>
		<u>£173,221</u>	<u>£599,803</u>
The bank overdraft is secured by a first standard security over the ground and buildings. Loans of £19,000 (1986 £26,000) are secured by a second standard security over the ground and buildings.			
10	LIABILITIES (falling due after one year)		1986
	Hire purchase instalments	£ -	£279
11	SHARE CAPITAL		1986
	Authorised -		
	Ordinary shares of £1 each	£400,000	£400,000
	Non-cumulative preference shares of £1 each	<u>100,000</u>	<u>100,000</u>
		<u>£500,000</u>	<u>£500,000</u>
	Issued, called up and fully paid -		
	Ordinary shares of £1 each	£265,646	£ 83,550
	Non-cumulative preference shares of £1 each	<u>2,170</u>	<u>2,170</u>
		<u>£267,816</u>	<u>£ 85,720</u>
Of the increase in share capital during the year 181,299 ordinary shares of £1 each were issued at par as a rights issue in October 1986.			
12	SHARE PREMIUMS		1986
	1st May 1986	£190,739	£169,031
	On share issues in year	<u>2,249</u>	<u>21,708</u>
	At 30th April 1987	<u>£192,988</u>	<u>£190,739</u>

NOTES ON ACCOUNTS (CONTINUED)  
30TH APRIL 1987

13 CAPITAL RESERVE		1986
At 1st May 1986	£201,254	£201,254
Surplus on revaluation of heritable property during year	<u>54,438</u>	<u>-</u>
At 30th April 1987	<u>£255,692</u>	<u>£201,254</u>

14 PROFIT AND LOSS ACCOUNT		1986
Accumulated losses at 1st May 1986	£303,733	£319,809
Profit for year (page 2)	<u>39,053</u>	<u>16,076</u>
Accumulated losses at 30th April 1987	<u>£264,680</u>	<u>£303,733</u>

## 15 POST-BALANCE SHEET EVENT

Exceptional repairs to the ground will be required during the year ending 30th April 1988. Their cost, less grants, is estimated at £60,000.



SOURCE AND APPLICATION OF FUNDS  
YEAR ENDED 30TH APRIL 1987

1986

## SOURCE OF FUNDS

Trading -	
Profit (page 2)	£64,053
Adjustment for item not involving the movement of funds -	
Depreciation	<u>3,430</u>
	£ 67,483
Share issues	184,345
Sale of tangible fixed assets	186,382
Working capital -	
Decrease in stock	£ 3,906
Decrease in trade debtors	42,713
Decrease in other debtors	3,009
Increase in trade creditors	7,072
Increase in other taxes and social security costs	<u>16,360</u>
	73,060
Deduct	
Increase in prepayments	6,005
Decrease in other creditors	6,071
Decrease in accruals and deferred income	<u>20,809</u>
	40,175
Total funds generated	<u>£478,385</u>

## APPLICATION OF FUNDS

Loans repaid	£190,000
Purchase of tangible fixed assets	<u>48,005</u>
Total funds applied	<u>£238,005</u>

## REDUCTION DURING YEAR IN NET BANK OVERDRAFT

£240,380

£103,614  
4,782  
£108,396  
28,944  
186,382  
£11,509  
(10,301)  
(30,622)  
(12,898)  
5,378  
(59,952)  
(7,373)  
(24,334)  
1,618  
(29,863)  
£107,477  
£26,000  
10,600  
£36,600  
£70,877

Our reference

Your reference

# finnies

FINNIE & CO. CHARTERED ACCOUNTANTS  
Hellenic House, 87 Bath Street, Glasgow G2 2HL  
Telephone: 041-332 8291

Resident Partners:  
D.R. McIntyre, J. Goudie, G.S. Robertson.

11th June 1987

## AUDITORS' REPORT TO THE MEMBERS OF THE MOTHERWELL FOOTBALL AND ATHLETIC CLUB LIMITED

We have audited the financial statements on pages 2 to 8 in accordance with approved auditing standards.

In our opinion these statements give a true and fair view of the state of affairs of the company at 30th April 1987 and of its profit and source and application of funds for the year then ended and comply with the Companies Act 1985.

FINNIE & CO

Chartered Accountants

*Finnie & Co., incorporating Finnie Ross Allfields and Everett Pinto*

C.J.P. Bebbow, J.M.B. Baker, R.E. Bishop, J.A.C. Buck, R.M. Cantor, R.J. Childs, C.H. Clark, J.A. Clemence, J.W. Clemence, S. Dallal, J. Denza, J.F. Fenton-Jones, J.G. Goodin, J. Goudie, D.H. Harding, M.G. Hart, A.F. Heath, I.G. Highley, D.R. Hindle, J.E. Holdaway, G.B. Ives, B. Jones, M.H. Kaye, A.P. Kearley, J.A. Kell, D.R. McIntyre, B.G. Merrington, D.W. Miles, K.G. Miller, P.H. Milligan, J.J. Parr, C.G. Pimmsoll, C.L. Rumington, G.S. Robertson, M.J. Robinson, S.A. Rose, A.M.M. Ross, G.P. Smith, N.L.K. Smith, V. Sopher, P.T. Stevens, D.A. Thomas, M.J.W. Venning, J. Ward, G. Warren, H.R. Waters, J.I. Walton.

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