

Financial Statements for the Year Ended 31 May 2019

for

East Fife Football Club Limited

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for the Year Ended 31 May 2019

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East Fife Football Club Limited

Company Information
for the Year Ended 31 May 2019

DIRECTORS:	J M Stevenson J Barclay D Marshall J Donaldson K R C Henderson
SECRETARY:	D Briggs
REGISTERED OFFICE:	Bayview Stadium Harbour View Methil Fife KY8 3RW
REGISTERED NUMBER:	SC007902 (Scotland)
SENIOR STATUTORY AUDITOR:	Graeme Deans
AUDITORS:	Peter Deans Chartered Accountants 42 Stirling Street Denny Stirlingshire FK6 6DJ
BANKERS:	TSB Sandwell Street Buckhaven KY8 1BY
SOLICITORS:	Innes Johnston LLP 95-99 Esplanade Kirkcaldy Fife KY1 1RF

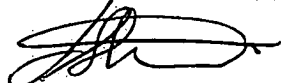
Balance Sheet
31 May 2019

	Notes	31.5.19 £	31.5.18 £
FIXED ASSETS			
Tangible assets	4	903,900	874,944
CURRENT ASSETS			
Stocks		5,562	6,836
Debtors	5	13,794	12,780
Cash at bank and in hand		83,391	35,112
		<u>102,747</u>	<u>54,728</u>
CREDITORS			
Amounts falling due within one year	6	<u>58,513</u>	<u>55,713</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>44,234</u>	<u>(985)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>948,134</u>	<u>873,959</u>
CREDITORS			
Amounts falling due after more than one year	7	(169,129)	(167,968)
ACCRUALS AND DEFERRED INCOME	8	<u>(569,715)</u>	<u>(566,431)</u>
NET ASSETS		<u><u>209,290</u></u>	<u><u>139,560</u></u>
CAPITAL AND RESERVES			
Called up share capital	9	49,957	49,957
Share premium	10	609,695	609,695
Retained earnings	10	<u>(450,362)</u>	<u>(520,092)</u>
SHAREHOLDERS' FUNDS		<u><u>209,290</u></u>	<u><u>139,560</u></u>

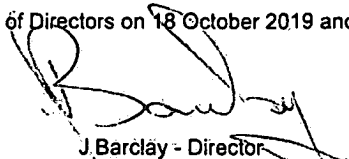
The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 18 October 2019 and were signed on its behalf by:



J M Stevenson - Director



J Barclay - Director



D Marshall - Director



J Donaldson - Director



K R C Henderson - Director

Notes to the Financial Statements
for the Year Ended 31 May 2019

1. STATUTORY INFORMATION

East Fife Football Club Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Going concern

As described in the Directors' report on page 2 the company has reported an operating profit for the year ended 31 May 2019 of £71,163 and as at 31 May 2019 the company has net current assets of £44,234. The directors have prepared cash flow projections 12 months from the date of their Directors' report to determine the cash requirements of the company. These have been prepared on the assumption that the club will remain in SPF League 1.

The Directors continue to try and align the clubs' cost base with projected income levels. In the year ended 31 May 2019 the directors feel that this has been achieved with the profit position at 31 May 2019, this profit position was aided by the donation of £49,000 to assist with lift and disabled access. As in previous years a realistic budget has been set in line with current financial circumstances.

The only major creditors that the company has are the Directors through their loans accounts and Methil Dock No 3 Assets Limited. As explained in the Directors Report, the Directors have pledged to leave loans in place for a period of at least 18 months from the date of their report, with one director making the commitment to donate his outstanding loan account in full to the Club, this was realised during October 2019.

Also per the Directors report a monthly payment continues to be paid Methil Dock No 3 Assets Limited, however no formal approved repayment plan has been finalised. The club did however managed to continue making repayment amounts during year ended 31 May 2019.

The directors have concluded that the company will have adequate resources to continue operating for a period of at least 12 months from the date of these accounts. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover comprises gate receipts, sponsorship and other commercial revenue and distributions from the Scottish Football Association and Scottish Football League.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Freehold Land	- not provided
Plant and machinery	- at varying rates on cost
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

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.

Players

Income and expenditure relating to the purchase and costs of players are reflected in the Profit and Loss Account. No recognition is made in the Balance Sheet of estimated value of players.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 30 (2018 - 31).

4. TANGIBLE FIXED ASSETS

	Freehold property £	Freehold Land £	Plant and machinery £
COST			
At 1 June 2018	1,114,011	189,111	196,098
Additions	-	-	58,507
At 31 May 2019	1,114,011	189,111	254,605
DEPRECIATION			
At 1 June 2018	454,430	-	179,316
Charge for year	22,280	-	6,909
Eliminated on disposal	-	-	-
At 31 May 2019	476,710	-	186,225
NET BOOK VALUE			
At 31 May 2019	637,301	189,111	68,380
At 31 May 2018	659,581	189,111	16,782

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

4. **TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 June 2018	182,520	10,000	6,842	1,698,582
Additions	3,586	-	-	62,093
Disposals	-	(10,000)	-	(10,000)
At 31 May 2019	186,106	-	6,842	1,750,675
DEPRECIATION				
At 1 June 2018	175,248	8,665	5,979	823,638
Charge for year	2,018	56	595	31,858
Eliminated on disposal	-	(8,721)	-	(8,721)
At 31 May 2019	177,266	-	6,574	846,775
NET BOOK VALUE				
At 31 May 2019	8,840	-	268	903,900
At 31 May 2018	7,272	1,335	863	874,944

Fixed assets, included in the above, which are held under hire purchase contracts and finance leases are as follows:

	Plant and machinery £
COST	
At 1 June 2018 and 31 May 2019	9,500
DEPRECIATION	
At 1 June 2018	2,003
Charge for year	1,874
At 31 May 2019	3,877
NET BOOK VALUE	
At 31 May 2019	5,623
At 31 May 2018	7,497

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

	31.5.19 £	31.5.18 £
Trade debtors	5,854	1,520
Other debtors	7,940	11,260
	13,794	12,780

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.19	31.5.18
	£	£
Hire purchase contracts and finance leases	500	2,577
Trade creditors	3,362	11,600
Taxation and social security	10,353	3,984
Other creditors	44,298	37,552
	<u>58,513</u>	<u>55,713</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.5.19	31.5.18
	£	£
Hire purchase contracts and finance leases	1,375	2,050
Other creditors	167,754	165,918
	<u>169,129</u>	<u>167,968</u>

Amounts owed by the company which are greater than 5 years and paid by instalment amounted to £22,254 at 31 May 2019 (2018 : £20,418). There is no interest charged on this outstanding amount.

8. ACCRUALS AND DEFERRED INCOME

	31.5.19	31.5.18
	£	£
Football Trust grant	814,231	814,231
Provision released b/fwd	(247,800)	(230,100)
Provision release in year	(17,700)	(17,700)
SFP Grant	23,315	-
Provision release in year	(2,331)	-
	<u>569,715</u>	<u>566,431</u>

East Fife Football Club Ltd received a grant from the Football Trust, to assist with the construction of the football stadium. This grant is being amortised in line with the depreciation of the stadium, and will become repayable in full should the stadium cease to be used for sporting purposes. The amortisation of the grant in the year to 31 May 2019 amounted to £17,700 (2018 : £17,700).

During the year East Fife Football Club Ltd received a grant from the Scottish Football Partnership, to assist with the construction of new disabled facilities within the stadium. This grant is being amortised in line with the depreciation of these facilities. The amortisation of the grant in the year to 31 May 2019 amounted to £2,331 (2018 : £Nil).

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal	31.5.19	31.5.18
Number:	Class:	value:	£	£
198,163	Ordinary	£0.25	<u>49,957</u>	<u>49,957</u>

10. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 June 2018	(520,092)	609,695	89,603
Profit for the year	69,730		69,730
	<u>(450,362)</u>	<u>609,695</u>	<u>159,333</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Graeme Deans (Senior Statutory Auditor)
for and on behalf of Peter Deans Chartered Accountants

12. CONTINGENT LIABILITIES

As part of the legal settlement reached with Morrison Construction Services Limited, should any part of the property be sold to Forth Ports plc then £30,000 will be payable to Morrison Construction Services Limited within fourteen days of the conclusion of such a contract.

13. RELATED PARTY DISCLOSURES

In a previous financial year the company sold 2.847 hectares of land which it owned to The Firm of IPM Partners UK. The land had a historic cost of £210,889 and a market value of £150,000, the company received sales proceeds of £110,000. Included in the sale agreement was a claw-back security over the land which secures a 15% payment of any uplift in value should the ground be sold for certain purposes. Lorraine Twigg, who at the time of the transaction was a major shareholder in the company has an interest in The Firm of IPM Partners UK. The company as a result of this transaction took on a Licence to Occupy the aforementioned ground with The Firm of IPM Partners UK.

During the year, and in the normal course of trade, the company recharged services of £13,543 (2018: £7,946) and land rental of £12,000 (2018: £5,000) to Fifers for the Community. The company also during the normal course of trade, incurred pitch hire costs of £7,363 (2018: £3,648) from Fifers for the Community. D Marshall, a director of the company, is also a Trustee of Fifers for the Community.

14. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

15. POST BALANCE SHEET EVENTS

After the balance sheet date, but before the signing date of this report, on 17th September 2019 the company repurchased 2000 £0.25 ordinary shares at a premium of £1.25 per share

J Donaldson, director, agreed to purchase these shares in exchange for converting part of his existing directors loan account due to him by the company into ordinary share capital. This transaction was undertaken on 14th October 2019 with 2000 £0.25 ordinary shares being acquired at a premium of £2.25 per share.

16. ULTIMATE CONTROLLING PARTY

It is the opinion of the company's directors that the Bayview Fife Limited is the ultimate controlling party.