

**REGISTERED NUMBER: SC158083 (Scotland)**

**THE NATIONAL STADIUM PLC**  
**STRATEGIC REPORT,**  
**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**



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FOR THE YEAR ENDED 31 DECEMBER 2019**

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**THE NATIONAL STADIUM PLC**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**DIRECTORS:**

R A Jack  
M D Mackay  
J Nicholson

**SECRETARY:**

J Nicholson

**REGISTERED OFFICE:**

Hampden Park  
Glasgow  
G42 9BA

**REGISTERED NUMBER:**

158083 (Scotland)

**AUDITORS:**

Hardie Caldwell LLP  
Statutory Auditors  
Chartered Accountants  
Citypoint 2  
25 Tyndrum Street  
Glasgow  
G4 0JY

**BANKERS:**

The Royal Bank of Scotland plc  
Glasgow City Branch  
10 Gordon Street  
Glasgow  
G1 3PL

**THE NATIONAL STADIUM PLC (REGISTERED NUMBER: SC158083)**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their strategic report for the year ended 31 December 2019.

**REVIEW OF BUSINESS**

The company has no ongoing trading activities.

The company is responsible for ensuring its debenture holders receive their entitled benefits which are primarily connected to events at the Hampden Park stadium.

The company has entered into an agreement with Hampden Park Limited, the current Hampden Park stadium operators, whereby Hampden Park Limited are responsible for the administration of these benefits. All costs incurred in the providing of these benefits are borne by Hampden Park Limited.

This agreement with Hampden Park Limited for the administration of these benefits runs to July 2020 in line with Hampden Park Limited's stadium operator agreement.

The company finances its current limited operations through its ultimate parent company.

The directors have decided not to recommend the payment of a dividend (2018: £nil).

**PRINCIPAL RISKS AND UNCERTAINTIES**

In order to be in a position, in due course, to repay the debenture holders, the company would require to receive reimbursement of the debt it is due from its ultimate parent company, The Queen's Park Football Club Limited (QPFC). It is therefore dependent on QPFC being able to reimburse this debt.

As owners of the Hampden Park stadium, QPFC has entered into various agreements in regard to the stadium operations to secure the stadium operations and its financial solvency to July 2020. QPFC has entered into an agreement to sell the stadium in August 2020. One outcome of this agreement will be that from the sale proceeds QPFC will be able to repay the debt it is due to the company.

**EVENTS SINCE THE YEAR END**

The company has evaluated events and transactions occurring subsequent to 31 December 2019 for items that should have been recognized or disclosed in these financial statements. The evaluation was conducted through to the date of signing these financial statements, which is the date the financial statements were available to be issued.

The company identified the following subsequent event:

- In December 2019, a novel strain of coronavirus ("COVID-19") surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption around the world. COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. This has not had a significant, immediate impact on the company's operations given the nature of the business.

**FUTURE DEVELOPMENTS**

As explained within the Review of Business the company is responsible for ensuring its debenture holders receive their entitled benefits which are primarily connected to events at the Hampden Park stadium.

The company has entered into an agreement with Hampden Park Limited, the current stadium operators, whereby Hampden Park Limited are responsible for the administration of these benefits. This agreement with Hampden Park Limited runs to July 2020 in line with their stadium operator agreement.

The directors are aware its ultimate parent company, The Queen's Park Football Club Limited, as stadium owners have agreed to sell the stadium in August 2020 to the Scottish Football Association. The Scottish Football Association have also agreed to purchase The National Stadium plc therefore taking on the liability to the debenture holders.

**THE NATIONAL STADIUM PLC (REGISTERED NUMBER: SC158083)**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**KEY PERFORMANCE INDICATORS**

As the company has no ongoing trading activities, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the performance or position of the company.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'J Nicholson', with a horizontal line extending from the end of the signature.

J Nicholson - Director

Date: 22 June 2020

**THE NATIONAL STADIUM PLC (REGISTERED NUMBER: SC158083)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their report with the financial statements of the company for the year ended 31 December 2019.

**DIVIDENDS**

The directors have decided not to recommend the payment of a dividend (2018: £nil).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

R A Jack  
M D Mackay  
J Nicholson

James Nicholson held one share as a nominee of The Queen's Park Football Club Limited (QPFC) but the position has been removed during the year. None of the directors who held office at the end of the financial year had any interest (other than the nominee share disclosed above) in the shares of the company and its ultimate parent company, The Queen's Park Football Club Limited, which is a company limited by guarantee without share capital.

**FINANCIAL RISK MANAGEMENT**

As explained within the Review of Business on page 2, the company has no ongoing trading activities and therefore the directors are of the opinion the company's current operations are not exposed to financial risks. The company finances its limited operations through its ultimate parent company.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE NATIONAL STADIUM PLC (REGISTERED NUMBER: SC158083)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Hardie Caldwell LLP, have expressed their willingness to remain in office.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'J Nicholson', is written over the printed name.

J Nicholson - Director

Date: 22 June 2020

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE NATIONAL STADIUM PLC**

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### **Opinion**

We have audited the financial statements of The National Stadium plc (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, Notes to the Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE NATIONAL STADIUM PLC

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Angus McCuaig (Senior Statutory Auditor)  
for and on behalf of Hardie Caldwell LLP  
Statutory Auditors  
Chartered Accountants  
Citypoint 2  
25 Tyndrum Street  
Glasgow  
G4 0JY

Date: 22 June 2020

**THE NATIONAL STADIUM PLC (REGISTERED NUMBER: SC158083)**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>	2	22,897	51,353
Administrative expenses		<u>22,897</u>	<u>51,353</u>
<b>OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	-	-
Tax on profit on ordinary activities	5	<u>-</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>-</u>	<u>-</u>

The notes form part of these financial statements

**THE NATIONAL STADIUM PLC (REGISTERED NUMBER: SC158083)**

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	2019 £	2018 £
<b>PROFIT FOR THE YEAR</b>	-	-
<b>OTHER COMPREHENSIVE INCOME</b>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

**THE NATIONAL STADIUM PLC (REGISTERED NUMBER: SC158083)**

**BALANCE SHEET  
31 DECEMBER 2019**

	Notes	2019 £	2018 £
<b>CURRENT ASSETS</b>			
Debtors	6	4,745,526	4,723,892
Cash at bank		<u>154</u>	<u>244</u>
		4,745,680	4,724,136
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>1,250</u>	<u>1,250</u>
<b>NET CURRENT ASSETS</b>		<u>4,744,430</u>	<u>4,722,886</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,744,430	4,722,886
<b>CREDITORS</b>			
Amounts falling due after more than one year			
Debentures	8	<u>4,653,400</u>	<u>4,631,856</u>
<b>NET ASSETS</b>		<u>91,030</u>	<u>91,030</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	50,000	50,000
Retained earnings	10	<u>41,030</u>	<u>41,030</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>91,030</u>	<u>91,030</u>

The financial statements were approved by the Board of Directors on 22 June 2020 and were signed on its behalf by:

*J Nicholson*

J Nicholson - Director

The notes form part of these financial statements

**THE NATIONAL STADIUM PLC (REGISTERED NUMBER: SC158083)**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2018</b>	50,000	41,030	91,030
<b>Changes in equity</b>			
Total comprehensive income	-	-	-
<b>Balance at 31 December 2018</b>	<u>50,000</u>	<u>41,030</u>	<u>91,030</u>
<b>Changes in equity</b>			
Total comprehensive income	-	-	-
<b>Balance at 31 December 2019</b>	<u>50,000</u>	<u>41,030</u>	<u>91,030</u>

The notes form part of these financial statements

**THE NATIONAL STADIUM PLC (REGISTERED NUMBER: SC158083)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Cashflow Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(90)</u>	<u>(1,290)</u>
Net cash from operating activities		<u>(90)</u>	<u>(1,290)</u>
 <b>Decrease in cash and cash equivalents</b>		 (90)	 (1,290)
<b>Cash and cash equivalents at beginning of year</b>	2	<u>244</u>	<u>1,534</u>
 <b>Cash and cash equivalents at end of year</b>	2	 <u><u>154</u></u>	 <u><u>244</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019 £	2018 £
Profit before taxation	-	-
Transfer from debenture issue costs	<u>21,544</u>	<u>50,000</u>
	21,544	50,000
Increase in debtors	<u>(21,634)</u>	<u>(51,290)</u>
<b>Cash generated from operations</b>	<u><u>(90)</u></u>	<u><u>(1,290)</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2019**

	31.12.19 £	1.1.19 £
Cash and cash equivalents	<u><u>154</u></u>	<u><u>244</u></u>

**Year ended 31 December 2018**

	31.12.18 £	1.1.18 £
Cash and cash equivalents	<u><u>244</u></u>	<u><u>1,534</u></u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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1. ACCOUNTING POLICIES

**General information**

The National Stadium plc is a public limited company, incorporated in Scotland. The company's registered number is SC158083 and its registered office address is Hampden Park, Glasgow, G42 9BA.

The company has no ongoing trading activities. The company is responsible for ensuring its debenture holders receive their entitled benefits.

The financial statements are presented in Sterling, which is also the functional currency of the company.

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Going concern**

The financial statements have been prepared on a going concern basis. In making this assessment the directors have considered their ability to manage the company's working capital requirements and meet the company's debts as they fall due.

The directors have also considered the current and developing impact on the company as a result of the COVID-19 virus. This has not had a significant, immediate impact on the company's operations given the nature of the business. The directors continue to review the situation and any potential impact on the company's operations.

The financial statements do not include any adjustments that may result from any significant changes in the assumptions noted above in preparing the financial statements on a going concern basis.

As owners of the Hampden Park stadium, QPFC has agreed to sell the stadium in August 2020 to the Scottish Football Association. Included in this agreement is the sale of The National Stadium plc with the debt to the debenture holders being taken over by the Scottish Football Association.

**Critical accounting judgements and key sources of estimation uncertainty**

In the preparation of the financial statements the directors have not had to make any judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenses during the year.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable.

Turnover is recognised when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the company.

**Debenture issue costs**

The costs associated with the issue of the debentures are charged to the profit and loss account on an annual basis over the minimum period remaining until the redemption of the debenture liabilities.

**Financial instruments**

**Debtors**

Debtors are recognised at the settlement amount due with appropriate allowances for any irrecoverable amounts when there is objective evidence that the asset is impaired.

**Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank with a short term maturity, being twelve months or less, from the opening of the deposit or similar account.



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

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1. ACCOUNTING POLICIES - continued

**Creditors**

Accruals are recognised where the company has a present obligation from a past event and are initially recognised at fair value and thereafter stated at amortised cost.

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

The charge for taxation is based on the profit of the year and takes into account taxation deferred, where applicable, because of timing differences between the treatment of certain items for taxation and accounting purposes.

2. TURNOVER

The turnover is a management fee charged to the ultimate parent company.

3. EMPLOYEES AND DIRECTORS

The average number of employees, including Directors, during the year was 3 (2018 – 3).

Remuneration costs for the year were £nil (2018 - £nil).

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

4. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Transfer from debenture issue costs	21,544	50,000
Auditors' remuneration – Audit	<u>1,250</u>	<u>1,250</u>
Directors' remuneration and other benefits etc.	<u>-</u>	<u>-</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	-	-
Adjustment in respect of prior periods	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Reconciliation of total tax charge included in profit and loss

	2019	2018
	£	£
Profit on ordinary activities before tax	<u>-</u>	<u>-</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2018 – 19%)	-	-
Effects of:		
Expenses not deductible for tax purposes	4,093	9,500
Losses utilised	<u>(4,093)</u>	<u>(9,500)</u>
Total tax charge	<u>-</u>	<u>-</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Amounts owed by ultimate parent company	<u>4,745,526</u>	<u>4,723,892</u>
	<u>4,745,526</u>	<u>4,723,892</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Accruals	<u>1,250</u>	<u>1,250</u>
	<u>1,250</u>	<u>1,250</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

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

Debentures

	2019 £	2018 £
Debenture proceeds (see below)	4,653,400	4,653,400
Less Debenture issue costs (see below)	-	21,544
Net Debenture Proceeds	<u>4,653,400</u>	<u>4,631,856</u>

Debenture proceeds

Debentures issued in the period from the commencement of offer to 31 December 2019:

	Value £	Number authorised £	31 December 2019 Number Issued £	Total proceeds £
Class of debenture				
Gold	3,500	969	216	756,000
Silver	1,750	1,842	1,340	2,345,000
Bronze	650/450	2,444	2,444	<u>1,552,400</u>
				<u>4,653,400</u>

Debenture issue costs

	£
At 1 January 2019	21,544
Transfer to profit and loss account	<u>(21,544)</u>
At 31 December 2019	<u>-</u>

The debentures rank pari passu with respect to voting and repayment and, save with respect to their designated seats and related benefits, without any preference or priority of one over another. The debentures are unsecured and no interest is payable thereon. Included within Bronze debenture proceeds are 181 (2018: 181) child debentures issued at £450 each, representing a discount of £200 per debenture.

The debentures are repayable at par under the following conditions:

- i if any order is made or an effective resolution is passed for the winding up of the company (other than on a winding up for the purposes of reconstruction or amalgamation); or
- ii if an administrator or receiver or administrative receiver is appointed to the undertaking of the company or any of its property or assets (other than for the purposes of reconstruction or amalgamation); or
- iii if the company ceases, on a permanent basis, to carry on its business as operators of a stadium for football and other events at the stadium without securing the continuation of the provision of the benefits to the debenture holders; or
- iv on or after the one hundredth anniversary of the commencement date (commencement date being 20 May 1999), if the debenture holder shall, by not less than three months notice, demand such repayment (in which case the debenture shall become repayable as above on the expiry of each notice).

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued

Debentures – continued

The company has the right to redeem the debentures at par upon the following conditions:

- i at any time on or after the twentieth anniversary of the commencement date of the debentures (commencement date being 20 May 1999);
- ii if The National Stadium plc is required by law to re-possess the seat;
- iii if the debenture holder fails to apply for tickets for five years in connection with the debenture;
- iv if The National Stadium plc or the parent company requires to rebuild or redevelop a material part of the stadium;
- v if the debenture holder so agrees.

The benefits which accrue to debenture holders are as follows:

- i For a Gold debenture holder an opportunity to buy a gold benefit package together with a ticket for a relevant match, being an international match, a Scottish Football Association cup match and a Scottish Football League cup match played at the stadium.
- ii For a Silver debenture holder an opportunity to buy a silver benefit package together with a ticket for a relevant match (as defined above).
- iii For a Bronze debenture holder an opportunity to buy a ticket for a relevant match (as defined above).
- iv Where the company retains direct control over allocation of all tickets for an event at the stadium which is not a relevant match (as defined above), the first opportunity to buy a ticket issued in advance for that event.
- v The first opportunity to apply to buy a ticket issued in advance for relocated international and Scottish Football Association matches.
- vi The right to use such facilities as the company shall from time to time specify as available within the stadium for use of the debenture holder.

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

10. RESERVES

	Retained earnings £
At 1 January 2019	41,030
Profit for the year	<u>-</u>
At 31 December 2019	<u>41,030</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

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11. FINANCIAL INSTRUMENTS

	2019 £	2018 £
Financial assets measured at amortised cost	<u>4,745,680</u>	<u>4,724,136</u>
Financial liabilities measured at amortised cost	<u>4,654,650</u>	<u>4,633,106</u>

There are no impairment losses or provisions in the current year or the previous year on financial assets measured at amortised cost.

12. CAPITAL COMMITMENTS

There were no contracted capital commitments at 31 December 2019 (2018: £nil).

13. CAPITAL MANAGEMENT

Capital comprises of share capital and reserves stated on the Balance Sheet. The company has no ongoing trading activities and has no specific capital management objectives. The company is not subject to either internally or externally imposed capital requirements.

14. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary undertaking of The Queen's Park Football Club Limited, a company limited by guarantee without share capital, incorporated in Scotland. Its registered number is SC005382 and its registered office address is Hampden Park, Glasgow, G42 9BA.

15. RELATED PARTY TRANSACTIONS

During the year a management fee of £22,897 was charged by the company to its ultimate parent company.

At the year end the company is owed £4,745,526 by its ultimate parent company.

16. EVENTS SINCE THE YEAR END

The company has evaluated events and transactions occurring subsequent to 31 December 2019 for items that should have been recognized or disclosed in these financial statements. The evaluation was conducted through to the date of signing these financial statements, which is the date the financial statements were available to be issued.

The company identified the following subsequent event:

- In December 2019, a novel strain of coronavirus ("COVID-19") surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption around the world. COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. This has not had a significant, immediate impact on the company's operations given the nature of the business.