



Oldham Rugby League Football Club plc

Report and Accounts 1990

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DIRECTORS' REPORT

The directors present their report for the year ended 31st May 1990.

ACTIVITY

The company operates a professional rugby league club.

RESULT AND DIVIDEND

The result of the company is set out in the financial statements on pages 5 to 12. No dividend is recommended.

REVIEW OF THE BUSINESS

The trading loss of £156,076 is due chiefly to the following reasons.

The implementation of a youth policy.

Transfer fees paid.

Ground repairs which included substantial renovation work under the main stand.

Contract payments to players.

Interest charges on additional borrowings needed to finance the above expenditure.

FUTURE DEVELOPMENTS

The youth policy has been continued and with other signings has increased the market value of the playing staff.

The lease on the Greyhound Stadium expired in August 1990 and the board are endeavouring to take back the facilities. Negotiations are continuing.

The directors are actively working for the club and are fully aware of the current financial position. They are continually seeking to expand the existing commercial activities and looking at new schemes with a view to returning the company to profitability.

FIXED ASSETS

In the directors' opinion, the value of the 12.4 acre site and ancillary buildings together with the two private dwellings, is considerably in excess of their net book value.

Net residual value of players

The directors have decided that starting with the year ended 31st May 1990, transfer fees paid for players should be shown as a balance sheet asset. The fee paid for each player will be amortised over the term of each contract to result in a residual value at the contract expiry date.

DIRECTORS

The directors in office at 31st May 1990 are listed below. All served on the Board during the year covered by the accounts. Mr. J. Chadwick retires by rotation and being eligible offers himself for re-election.

According to the register maintained as required under the Companies Act 1985, the interests of the directors and their families in the share capital of the company are as follows:-

	31st May 1990 Ordinary shares	31st May 1989 Ordinary shares
J. Chadwick	10,027	10,027
D. G. Gardner	10,200	10,200
J. Knox	10,152	10,152
A. G. Pache	12,951	12,951
T. Patterson	17,002	17,002
J. Quinn	12,000	12,000

Mr. M. Winterbottom and Mr. I. T. Carr who were appointed directors on 4th June 1990 and 1st September 1990 respectively, retire and being eligible offer themselves for election.

TAX STATUS

The company is not a close company within the meaning of the Income and Corporation Taxes Act 1988.

AUDITORS

Ogden & Partington have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

CONCLUSION

As a club we cannot succeed without goodwill and we wish to express our sincere thanks to all who have given us their support or have helped in any way, no matter how small, to further our efforts to retain rugby league as a major sport in the town of Oldham.

By order of the Board

D. G. Gardner
Secretary

PROFIT AND LOSS ACCOUNT

For the year ended 31st May 1990

	NOTE	1990 £	1989 19 weeks £
<u>TURNOVER</u>			
Rugby	2	411,438	106,355
Other	3	399,037	132,336
		<u>810,475</u>	<u>238,691</u>
<u>OPERATING COSTS</u>			
Rugby	4	700,261	188,383
Commercial	5	104,163	63,018
Administration	6	120,183	46,273
Financial	7	68,444	16,906
		<u>993,051</u>	<u>314,580</u>
<u>LOSS BEFORE TRANSFER FEES</u>		182,576	75,889
Loss on transfer fees		-	24,000
Profit on transfer fees	8	26,500	-
<u>LOSS AFTER TRANSFER FEES</u>		156,076	99,889
<u>EXTRAORDINARY EXPENSE</u>			
Formation and preliminary costs		-	72,367
<u>LOSS FOR THE YEAR/PERIOD</u>		<u>156,076</u>	<u>172,256</u>

BALANCE SHEET AS AT 31ST MAY 1990

	NOTE	1990 £	1989 £
<u>FIXED ASSETS</u>			
Tangible Assets	9	266,619	270,101
Net residual value of players	8	132,676	-
<u>CURRENT ASSETS</u>			
Stocks	10	17,715	6,522
Debtors and prepayments		69,464	15,465
Loan to The Rugby Football League	12	16,300	10,800
Cash at bank and in hand		-	92,311
		<u>103,479</u>	<u>125,098</u>
<u>CREDITORS - amounts falling due within one year</u>			
Bank overdraft secured on land		310,720	165,000
Unsecured loans		112,980	74,044
Trade and other creditors	13	<u>343,011</u>	<u>270,588</u>
		<u>766,711</u>	<u>509,632</u>
<u>NET CURRENT LIABILITIES</u>			
		<u>(663,232)</u>	<u>(384,534)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			
		<u>(263,937)</u>	<u>(114,433)</u>
<u>CREDITORS - amounts falling due after more than one year</u>			
	14	<u>(151,960)</u>	<u>(145,388)</u>
		<u>(415,897)</u>	<u>(259,821)</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	15	264,607	264,607
Deficiency of reserves	16	(352,172)	(352,172)
Profit and Loss Account	17	<u>(328,332)</u>	<u>(172,256)</u>
		<u>(415,897)</u>	<u>(259,821)</u>

M. Winterbottom
.....

Directors

I. T. Carr
.....

30th January 1991

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the year ended 31st May 1990

	1990 £	1989 19 weeks £
<u>SOURCES OF FUNDS</u>		
Loss for year/period	(156,076)	(172,256)
Items not involving the movement of funds		
Amortisation	22,000	-
Depreciation	<u>15,751</u>	<u>4,168</u>
	<u>(118,325)</u>	<u>(168,088)</u>
<u>FUNDS FROM OTHER SOURCES</u>		
Proceeds of share issue	-	264,607
Loan from Boddingtons Breweries	-	15,167
Unsecured loans	5,196	11,307
Hire purchase creditor	817	3,657
Sale proceeds of fixed assets	-	1,241
Building society mortgage	<u>559</u>	<u>-</u>
	<u>6,572</u>	<u>295,979</u>
<u>TOTAL SOURCES OF FUNDS</u>		
	<u>(111,753)</u>	<u>127,891</u>
<u>APPLICATION OF FUNDS</u>		
Transfer fees paid	154,676	-
Purchase of fixed assets	12,269	11,656
Repayment of mortgage	-	273
Cost of acquisition of members club	<u>-</u>	<u>857</u>
	<u>(166,945)</u>	<u>(12,786)</u>
<u>NET (OUTFLOW)/INFLOW OF FUNDS</u>		
	<u>(278,698)</u>	<u>115,105</u>
<u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>		
Stock	11,913	81
Debtors	59,499	(34,342)
Creditors and loans	(111,359)	66,974
Cash at bank and in hand	<u>(238,031)</u>	<u>82,392</u>
<u>NET (DECREASE)/INCREASE IN WORKING CAPITAL</u>		
	<u>(278,698)</u>	<u>115,105</u>

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a. Accounting convention

The accounts are prepared under the historical cost convention.

b. Depreciation

Depreciation is provided on tangible assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Land and Buildings	Nil
Fixtures, fittings and floodlights	15% on written down value
Motor vehicles	25% on written down value

c. Stocks

Stocks are valued at the lower of cost and net realisable value.

2. TURNOVER - RUGBY

	1990	1989
	£	19 weeks £
Gate receipts	313,312	100,905
Season tickets	30,196	-
Prize money from competitions	17,600	3,250
Television fees	26,000	2,000
Rugby League Levies	15,813	200
Car park	3,183	-
Catering franchise	5,334	-
	<u>411,438</u>	<u>106,355</u>

3. TURNOVER - OTHER

Advertising and sponsorship	112,028	15,570
Programme sales	11,964	6,463
Club shop sales	49,701	4,283
Pavilion bar sales	4,863	2,703
Social club receipts	11,519	37,077
Social club lease	9,236	-
Gold card	5,177	-
Draws and raffles	6,485	-
Executive trips	6,598	-
Sundry	1,100	-
Rent - Oldham Stadium Ltd.	2,250	-
Rent - Supporters club	1,000	-
Development Association	39,121	10,954
Donation from Watersheddings Lifeline Society	131,139	55,000
Donations	6,856	286
	<u>399,037</u>	<u>132,336</u>

4. OPERATING COSTS - RUGBY

	1990	1989
	£	19 weeks £
Players contracts	178,474	52,342
Players signing on fees	52,500	11,000
Players wages	199,003	34,515
Training staff wages	41,172	16,389
Ground staff wages	7,888	1,852
Social security costs	42,519	10,106
Travelling expenses	28,864	12,932
Lodgings	5,803	2,418
Outfits and kit	2,149	990
Catering and refreshments	30,146	7,613
Hire of coaches	8,670	2,550
Medical	11,588	2,206
Insurance of players	3,749	1,007
Compensation to amateur clubs	1,600	-
Checkers and security	22,644	5,179
Referees and touch judges	2,409	753
Rugby League levy payments	3,930	7,628
Rugby League fines	-	700
Ground repairs	55,321	15,333
Depreciation	1,832	2,870
	<u>700,261</u>	<u>188,383</u>

5. OPERATING COSTS - COMMERCIAL

Wages	18,359	14,051
Social Security costs	1,572	1,127
Advertising and promotion	243	1,266
Printing programmes	15,871	6,196
Printing and stationery	2,985	1,247
Telephone	895	180
Travelling expenses	3,582	818
Pavilion bar costs	8,544	1,812
Club shop costs	37,899	3,986
Social club costs	14,213	32,335
	<u>104,163</u>	<u>63,018</u>

6. OPERATING COSTS - ADMINISTRATION

	1990	1989
	£	19 weeks £
Wages	33,407	16,040
Social Security costs	2,402	1,434
Travelling expenses	3,418	2,555
Rates and water	8,232	1,443
Heating and lighting	7,273	1,884
Printing and stationery	8,967	4,236
Repairs and renewals	11,908	5,818
Cleaning	3,470	1,261
Telephone	2,994	803
Postages	4,900	2,522
Sundry expenses	4,834	1,124
Insurance	4,798	1,303
Computer expenses	2,091	-
Auditors remuneration	6,000	5,000
Legal fees	1,570	-
Depreciation	13,919	850
	<u>120,183</u>	<u>46,273</u>

7. OPERATING COSTS - FINANCIAL

Bank interest and charges	55,677	13,519
Building Society mortgage interest	6,408	2,330
Loan interest - Rugby Football League	2,293	500
Hire purchase charges	1,620	557
Loan interest - Whitbread & Co.	2,446	-
	<u>68,444</u>	<u>16,906</u>

8. TRANSFER FEES

Transfer fees received	£	Transfer fees paid	£
I. Sherratt	22,500	A. Anderson	70,000
M. Hall	10,000	J. Fieldhouse	45,000
A. Morrison	8,000	D. Foy	18,000
R. Marsden	5,000	S. Allen	10,750
K. Meadows	3,000	R. Russell	5,500
	<u>48,500</u>	B. Clark	5,426
			<u>154,676</u>

Amortisation of transfer fees paid

Amount written off to Profit and Loss Account	22,000
Net residual value	<u>132,676</u>
	<u>154,676</u>

9. TANGIBLE FIXED ASSETS

	Land and Buildings £	Motor Vehicles £	Equipment and Floodlights £	Total £
Cost at 31.5.89	260,423	10,640	99,996	371,059
Additions at cost	-	3,000	9,269	12,269
Cost at 31.5.90	<u>260,423</u>	<u>13,640</u>	<u>109,265</u>	<u>383,328</u>
Depreciation at 31.5.89	32,811	2,159	65,988	100,958
Charge for the year	-	2,870	12,881	15,751
Depreciation at 31.5.90	<u>32,811</u>	<u>5,029</u>	<u>78,869</u>	<u>116,709</u>

Net book value at 31st May 1989	227,612	8,481	34,008	270,101
at 31st May 1990	<u>227,612</u>	<u>8,611</u>	<u>30,396</u>	<u>266,619</u>

	1990 £	1989 £
Land and Buildings comprise:		
Pavilion and Land	79,637	79,637
Stands	89,648	89,648
Social Club	49,069	49,069
20 and 26 Hayfield Close, Oldham	42,069	42,069
	<u>260,423</u>	<u>260,423</u>

10. STOCKS

Social Club	-	2,657
Pavilion Bar	679	565
Club Shop	17,036	2,800
Lottery tickets	-	500
	<u>17,715</u>	<u>6,522</u>

11. STAFF NUMBERS

The average number of persons employed by the club excluding directors during the period was as follows:

	1990	1989
Players	32	36
Coaching staff	5	5
Ground staff	2	2
Commercial	5	5
Administration	5	5

12. LOAN TO THE RUGBY FOOTBALL LEAGUE

The company has loaned to The Rugby Football League the sum of £16,300 to be applied by The Rugby Football League in providing finance for the capital development of grounds.

13. TRADE AND OTHER CREDITORS

	1990 £	1989 £
Trade creditors	200,596	185,993
Other taxes and social security	70,370	74,190
Season tickets received in advance	65,456	6,984
Hire purchase	6,589	3,421
	<u>343,011</u>	<u>270,588</u>

14. CREDITORS

Amounts falling due after more than one year

	£	£
Boddingtons Breweries Ltd. - secured on social club	90,000	90,000
Building Society mortgage	40,983	40,424
Hire purchase	4,474	3,657
Unsecured loan	<u>16,503</u>	<u>11,307</u>
	<u>151,960</u>	<u>145,388</u>

15. CALLED UP SHARE CAPITAL

	£	£
Ordinary shares of £1 each		
Authorised	1,000,000	1,000,000
Allotted, called up and fully paid	<u>264,607</u>	<u>264,607</u>

16. DEFICIENCY OF RESERVES

	£	£
Net liabilities of		
Oldham Rugby League Football Club	351,315	351,315
Cost of acquisition	<u>857</u>	<u>857</u>
	<u>352,172</u>	<u>352,172</u>

17. PROFIT AND LOSS ACCOUNT

	£	£
Loss brought forward	(172,256)	-
Loss for the year/period	<u>(156,076)</u>	<u>(172,256)</u>
Loss carry forward	<u>(328,332)</u>	<u>(172,256)</u>

REPORT OF THE AUDITORS

To the members of Oldham Rugby League Football Club plc.

We have audited the accounts set out on pages 5 to 12 in accordance with approved auditing standards.

Continuation of the company's activities is dependent upon the continued support of the company's bankers and its creditors. The accounts have been drawn up on a going concern basis which assumes the continuation of the company's activities.

Subject to the continued support referred to above, in our opinion the accounts give a true and fair view of the state of affairs of the company at 31st May 1990 and of the loss and source and application of funds for the period then ended and comply with the Companies Act 1985.

OGDEN & PARTINGTON
Certified Accountants
15 Queen Street
Oldham
OL1 1RD

30th January 1991

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the second Annual General Meeting of Oldham Rugby League Football Club plc will be held at the Social Club, Watersheddings, Oldham, on Friday 15th March 1991, at 12 noon, for the following purposes:-

Ordinary Business

1. To receive the Company's financial statements for the year ended 31st May 1990 together with the report of the Directors and auditors thereon and to confirm that no dividend on the Ordinary Shares of the Company be declared.
2. To propose and if thought fit re-elect as Directors Michael Winterbottom and Ian Trevor Carr who having been appointed by the Board of Directors retire pursuant to Article 73 of the Companies Articles of Association, but being eligible offer themselves for re-election.
3. To propose and if thought fit, re-elect as a Director, John Chadwick who retires by rotation pursuant to Article 74 of the Articles of Association of the Company but who being eligible offers himself for re-election.
4. To re-appoint Ogden & Partington as auditors for the ensuing year and to authorise the Directors to fix their remuneration.

BY ORDER OF THE BOARD

D. G. Gardner
Secretary

30th January 1991

Registered Office: The Pavilion, Watersheddings, Oldham. OL4 2PB

Notes

1. A member entitled to attend and vote at the Meeting convened by the Notice set out above is entitled to appoint a proxy to attend and on a poll, vote in his place. A proxy need not be a member of the Company.
2. To be valid, proxy cards must be lodged with the Company Secretary at the registered office of the Company not less than 48 hours prior to the time appointed for the holding of the meeting (or any adjournment thereof).

OLDHAM RUGBY LEAGUE FOOTBALL CLUB PLC

PROXY CARD

For use at the Annual General Meeting on Friday 15th March, 1991

I/We
of

being (a) holder(s) of Ordinary Shares in the above named Company hereby appoint the Chairman of the Meeting

(Note 1) as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday 15th March 1991 at 12 noon and at any adjournment thereof, thereof.

Please indicate with a cross in the spaces below how you wish your vote to be cast.

Resolution No.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To receive and adopt the financial statement for the period ended 31st May 1990 and to confirm no dividend be declared.		
2. (A) (B) (C)	To re-elect Michael Winterbottom as a Director. To re-elect Ian Trevor Carr as a Director. To re-elect John Chadwick as a Director.		
3.	To re-elect John Chadwick as a Director.		
4.	To re-appoint Messrs. Ogden and Partington, Certified Accountants, as auditors of the Company to hold office until the conclusion of the next Annual General Meeting at which accounts are laid before the Company and to authorise the Directors to fix the remuneration of the auditors.		

Dated 1991 Signature

NOTES:

1. A member may appoint a proxy of his own choice who need not be a member of the Company. If such an appointment is made delete the words "the Chairman of the Meeting" and insert the name of the person appointed proxy in the space provided.
2. If the appointor is a corporation this proxy card must be executed under its seal or under the hand of some officer, attorney or other person authorised to sign the same in that behalf. If the appointor is not a corporation, this proxy card must be executed under the hand of the appointor or of his attorney duly authorised in that behalf.
3. In the case of joint holders, the signature of any one holder will be sufficient but the names of all the joint holders should be stated.
4. If this proxy card is returned without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes or whether he abstains from voting.
5. To be effective this proxy card must be lodged with the Company Secretary at the registered office of the Company at The Pavilion, Watersheddings, Oldham OL4 2PB not less than 48 hours before the time appointed for the Meeting or adjourned Meeting and must be accompanied by any power of attorney or other authority under which it is signed or by a notarially certified copy of such power or authority.