



Oldham Rugby League Football Club plc

Report and Accounts 1991

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DIRECTORS' REPORT

The directors present their report for the year ended 31st May 1991.

ACTIVITIES

The principal activities of the group are the operation of a professional rugby league club and a greyhound stadium.

RESULT AND DIVIDEND

The results of the group are set out in the financial statements on pages 5 to 16. No dividend is recommended.

REVIEW OF THE BUSINESS

The group trading loss of £216,262 is due chiefly to the following reasons.

The continuation of the youth policy.
Transfer fees paid.
Ground repairs which included substantial renovation work.
Contract payments to players.
Interest charged on additional borrowings needed to finance the above expenditure.

FUTURE DEVELOPMENTS

The youth policy has been continued.

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 group to profitability.

The Greyhound Stadium has been taken back and is now operating as a wholly owned subsidiary company of the club and is expected to make useful contributions to the club profits.

During the year contracts were entered into with two junior players which will require initial payments during 1991/92 of £40,000.

A loan was made to the club of £20,000 by a local businessman in 1988. Repayment of this loan has been demanded.

FIXED ASSETS

Land and Buildings

Subsequent to these accounts the training pitch of 1.7 acres has been sold for £244,000. The purchase of access land and expenses resulted in a net income of £195,000. This strengthens the directors belief that the value of the remaining 10.7 acre site is considerably in excess of net book value.

Net residual value of players

The directors will continue the amortisation policy and transfer fees paid for players will 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 1991 are listed below. All served on the Board during the year covered by the accounts. Messrs. Quinn & Patterson retire by rotation and being eligible offer themselves for re-election.

The interests of the directors and their families in the share capital of the company are as follows:

	31 MAY 1991 ORDINARY SHARES	31 MAY 1990 ORDINARY SHARES
J. CHADWICK	10,027	10,027
D. G. GARDNER	10,200	10,200
T. PATTERSON	17,002	17,002
J. QUINN	-	-
M. WINTERBOTTOM	25,000	-
I. T. CARR	6,300	-

12,000 ordinary shares are held by James Quinn Holdings Limited of which Mr. J. Quinn is the majority shareholder.

Mr. J. Knox and Mr. A.G. Pache resigned on 17th December 1990 and subsequent to the year end Mr. D.G. Gardner resigned.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS

During the year under review the group entered into a contract for ground improvements valued at £82,000 with Queghan Construction Ltd., of which Mr. J. Quinn is a director. A substantial amount of this money remains unpaid.

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

I. T. Carr
Secretary

PROFIT AND LOSS ACCOUNT

For the year ended 31st May 1991

	<u>NOTES</u>	<u>1991</u> £	<u>1990</u> £
<u>TURNOVER</u>			
Rugby	2	377,724	412,685
Other	3	<u>333,393</u>	<u>393,860</u>
		<u>711,117</u>	<u>806,545</u>
<u>OPERATING COSTS</u>			
Rugby	4	614,319	696,331
Commercial	5	84,073	104,163
Administration	6	120,606	120,183
Financial	7	<u>78,732</u>	<u>68,444</u>
		<u>(897,730)</u>	<u>989,121</u>
<u>LOSS BEFORE TRANSFER FEES</u>		(186,613)	(182,576)
Loss on transfer fees	8	29,000	-
Profit on transfer fees		<u>-</u>	<u>26,500</u>
<u>LOSS FOR THE YEAR</u>		<u>(215,613)</u>	<u>(156,076)</u>

BALANCE SHEET AS AT 31ST MAY 1991

	NOTES	1991 £	1990 £
<u>FIXED ASSETS</u>			
Tangible assets	9	380,048	266,619
Net residual value of players	8	118,676	132,676
Investments	16	2,213	-
		<u>500,937</u>	<u>399,295</u>
<u>CURRENT ASSETS</u>			
Stocks	10	15,101	17,715
Debtors and prepayments		28,374	69,464
Loan to The Rugby Football League		-	16,300
Cash in hand		2,270	2,863
		<u>45,745</u>	<u>106,342</u>
<u>CREDITORS - amounts falling due within one year</u>			
Bank overdraft	12	385,313	313,583
Unsecured loans		197,971	112,980
Trade and other creditors	13	397,307	343,011
		<u>980,591</u>	<u>769,574</u>
<u>NET CURRENT LIABILITIES</u>			
		(934,846)	(663,232)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			
		(433,909)	(263,937)
<u>CREDITORS: amounts falling due after more than one year</u>			
	14	(162,626)	(151,960)
		<u>(596,535)</u>	<u>(415,897)</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	15	299,582	264,607
Profit and Loss Account	17	(896,117)	(680,504)
		<u>(596,535)</u>	<u>(415,897)</u>

... I. T. Carr Director

... M. Winterbottom Director

Date .. 31st January 1992

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the year ended 31st May 1991

	1991 £	1990 £
<u>SOURCES OF FUNDS</u>		
Loss for the year	(215,613)	(156,076)
Items not involving the movement of funds:		
Amortisation	131,500	22,000
Depreciation	15,435	15,751
	<u>(68,678)</u>	<u>(118,325)</u>
<u>FUNDS FROM OTHER SOURCES</u>		
Sale proceeds of fixed assets	2,888	-
Unsecured loans	6,916	5,196
Hire purchase creditors	2,876	817
Building Society mortgage	874	559
Proceeds of share issue	34,975	-
	<u>48,529</u>	<u>6,572</u>
<u>TOTAL SOURCES OF FUNDS</u>		
	<u>(20,149)</u>	<u>(111,753)</u>
<u>APPLICATION OF FUNDS</u>		
Transfer fees paid	117,500	154,676
Purchase of fixed assets	131,752	12,269
Purchase of investments	2,213	-
	<u>(251,465)</u>	<u>(166,945)</u>
<u>NET OUTFLOW OF FUNDS</u>		
	<u>(271,614)</u>	<u>(278,698)</u>
<u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>		
Stock	(2,614)	11,193
Debtors	(57,390)	59,499
Creditors and loans	(139,287)	(111,359)
Cash at bank and in hand	(72,323)	(238,031)
<u>NET DECREASE IN WORKING CAPITAL</u>		
	<u>(271,614)</u>	<u>(278,698)</u>

OLDHAM RUGBY LEAGUE FOOTBALL CLUB PLC AND SUBSIDIARY COMPANY

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MAY 1991

	<u>NOTES</u>	<u>£</u>
<u>TURNOVER</u>		
Rugby	2	377,724
Other	3	348,914
		<u>726,638</u>
<u>OPERATING COSTS</u>		
Rugby	4	614,319
Commercial	5	90,363
Administration	6	128,759
Financial	7	80,459
		<u>913,900</u>
<u>LOSS BEFORE TRANSFER FEES</u>		(187,262)
Loss on transfer fees	8	<u>29,000</u>
<u>LOSS FOR THE YEAR</u>		<u>(216,262)</u>

OLDHAM RUGBY LEAGUE FOOTBALL CLUB PLC AND SUBSIDIARY COMPANY

GROUP BALANCE SHEET

AS AT 31ST MAY 1991

	<u>NOTES</u>	<u>£</u>
<u>FIXED ASSETS</u>		
<u>INTANGIBLE ASSETS</u>		
Goodwill and legal expenses at cost		43,845
<u>TANGIBLE ASSETS</u>		
Tangible fixed assets	9	401,176
Net residual value of players	8	118,676
Investments	16	<u>1,000</u>
		<u>564,697</u>
<u>CURRENT ASSETS</u>		
Stock	10	15,504
Debtors and prepayments		35,794
Cash in hand		<u>2,347</u>
		<u>53,645</u>
<u>CREDITORS - amounts falling due within one year</u>		
Bank overdraft	12	434,368
Unsecured loans		198,571
Trade and other creditors	13	<u>419,961</u>
		<u>1,052,900</u>
<u>NET CURRENT LIABILITIES</u>		(999,255)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		(434,558)
<u>CREDITORS - amount falling due after more than one year</u>		
	14	(162,626)
		<u>(597,184)</u>
<u>CAPITAL AND RESERVES</u>		
Called up share capital	15	299,582
Profit and loss account	17	(896,766)
		<u>(597,184)</u>

OLDHAM RUGBY LEAGUE FOOTBALL CLUB PLC AND SUBSIDIARY COMPANY

GROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31ST MAY 1991

	£
<u>SOURCES OF FUNDS</u>	
Loss for the year	(216,262)
Items not involving the movement of funds:	
Amortisation	131,500
Depreciation	15,435
	<u>(69,327)</u>
<u>FUNDS FROM OTHER SOURCES</u>	
Sale proceeds of fixed assets	2,888
Unsecured loans	6,916
Hire purchase creditors	2,876
Building Society mortgage	874
Proceeds of share issue	34,975
	<u>48,529</u>
<u>TOTAL SOURCES OF FUNDS</u>	<u>(20,798)</u>
<u>APPLICATION OF FUNDS</u>	
Transfer fees paid	117,500
Purchase of tangible fixed assets	152,880
Purchase of goodwill	43,845
Purchase of investments	1,000
	<u>(315,225)</u>
<u>NET OUTFLOW OF FUNDS</u>	<u>(336,023)</u>
<u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>	
Stock	(2,211)
Debtors	(49,970)
Creditors and loans	(162,541)
Cash at bank and in hand	<u>(121,301)</u>
<u>NET DECREASE IN WORKING CAPITAL</u>	<u>(336,023)</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

	1991	1990
	£	£
Gate receipts	200,033	313,312
Season tickets	108,808	35,373
Prize money from competitions	12,750	17,600
Television fees	48,392	26,000
Rugby League levies	-	11,883
Car park	2,741	3,183
Catering franchise	5,000	5,334
	<u>377,724</u>	<u>412,685</u>

3. Turnover - Other

Advertising	101,582	112,028
Programme sales	8,532	11,964
Club shop sales	40,339	49,701
Pavilion bar sales	2,951	4,863
Social club receipts	-	11,519
Social club lease	9,366	9,236
Rent - Oldham Stadium Ltd.	-	2,250
Rent - Supporters Club	-	1,000
Development Association	36,121	39,121
Donation from Watersheddings Lifeline Society	118,307	131,139
Sundry donations	6,421	6,856
Fund raising activities	9,774	14,183
	<u>333,393</u>	<u>393,860</u>
Attributable to Holding Company		
Oldham Greyhound Stadium Limited	15,521	-
	<u>348,914</u>	<u>393,860</u>
Attributable to Group		

4. OPERATING COSTS - RUGBY

	1991	1990
	£	£
Players contracts	180,628	178,474
Players signing on fees	4,000	54,100
Players wages	156,695	199,003
Training staff wages	43,343	41,172
Ground staff wages	21,003	7,888
Social security costs	38,789	42,519
Travelling expenses	33,912	28,864
Lodgings	3,221	5,803
Outfits and kit	1,498	2,149
Catering and refreshments	30,326	30,146
Hire of coaches	6,760	8,670
Medical	24,005	15,337
Checkers and security	16,991	22,644
Referees and touch judges	2,503	2,409
Rugby League levy payments	5,174	-
Rugby League fines	450	-
Ground repairs	43,464	55,321
Depreciation	1,557	1,832
	<u>614,319</u>	<u>696,331</u>

5. OPERATING COSTS - COMMERCIAL

Wages	27,590	18,359
Social security costs	2,757	1,572
Advertising and promotion	2,040	243
Printing programmes	5,190	15,871
Printing and stationery	2,090	2,985
Telephone	984	895
Travelling expenses	3,761	3,582
Pavilion bar costs	11,580	8,544
Club shop costs	28,081	37,899
Social club costs	-	14,213
Attributable to Holding Company	84,073	104,163
Oldham Greyhound Stadium Limited	6,290	-
Attributable to Group	<u>90,363</u>	<u>104,163</u>

6. OPERATING COSTS - ADMINISTRATION

	1991	1990
	£	£
Wages	40,712	33,407
Social security costs	2,727	2,402
Travelling expenses	2,050	3,418
Rates and water	10,287	8,232
Heating and lighting	8,359	7,273
Printing and stationery	5,713	8,967
Repairs and renewals	6,225	11,908
Cleaning	4,062	3,470
Telephone	3,629	2,994
Postages	2,205	4,900
Sundry expenses	4,367	4,834
Insurance	5,532	4,798
Computer expenses	-	2,091
Auditors remuneration	9,000	6,000
Legal fees	1,860	1,570
Depreciation	13,878	13,919
Attributable to Holding Company	120,606	120,183
Oldham Greyhound Stadium Limited	8,153	-
Attributable to Group	<u>128,759</u>	<u>120,183</u>

7. OPERATING COSTS - FINANCIAL

Bank interest and charges	54,544	55,677
Building Society mortgage interest	9,410	6,408
Loan interest - Rugby Football League	1,340	2,293
Hire purchase charges	2,710	1,620
Loan interest - Whitbread & Co.	10,728	2,446
Attributable to Holding Company	78,732	68,444
Oldham Greyhound Stadium Limited	1,727	-
Attributable to Group	<u>80,459</u>	<u>68,444</u>

8. TRANSFER FEES

Transfer fees received	£	Transfer fees paid	£
I. Sheratt	2,500	A. Donegan	20,000
L. Casey	100,000	R. Duane	20,000
		N. Francis	17,500
		D. Pyke	50,000
		R. Russell	10,000
	<u>102,500</u>		<u>117,500</u>

Amortisation of transfer fees paid

Net residual value of players at 31.5.90	132,676
Transfer fees paid	<u>117,500</u>
	250,176
Amounts written off to Profit and Loss Account	<u>131,500</u>
Net residual value of players at 31.5.91	<u>118,676</u>

9. TANGIBLE FIXED ASSETS

<u>Holding Company</u>	<u>Land and Buildings</u> £	<u>Motor Vehicles</u> £	<u>Equipment and Floodlights</u> £	<u>Total</u> £
Cost at 31.5.90	260,423	13,640	109,265	383,328
Additions at cost	95,060	33,662	3,030	131,752
	355,483	47,302	112,295	515,080
Disposals at cost	-	6,495	-	6,495
Cost at 31.5.91	355,483	40,807	112,295	508,585
Depreciation at 31.5.90	32,811	5,029	78,869	116,709
Charge for the year	-	9,655	5,013	14,668
	32,811	14,684	83,882	131,377
Eliminated on disposals	-	2,840	-	2,840
Depreciation at 31.5.91	32,811	11,844	83,882	128,537
Net book value at 31.5.90	227,612	8,611	30,396	266,619
Net book value at 31.5.91	322,672	28,963	28,413	380,048

Land and Buildings comprise:

	<u>1991</u>	<u>1990</u>
Pavilion and Land	174,051	79,637
Stands	90,294	89,648
Social Club	49,069	49,069
20 and 26 Hayfield Close, Oldham	42,069	42,069
	355,483	260,423

<u>Group</u>	<u>Land and Buildings</u>	<u>Motor Vehicles</u>	<u>Equipment and Floodlights</u>	<u>Total</u>
Cost at 31.5.90	260,423	13,640	109,265	383,328
Additions at cost	107,108	33,662	12,110	152,880
	367,531	47,302	121,375	536,208
Disposals at cost	-	6,495	-	6,495
Cost at 31.5.91	367,531	40,807	121,375	529,713
Depreciation at 31.5.90	32,811	5,029	78,869	116,709
Charge for the year	-	9,655	5,013	14,668
	32,811	14,684	83,882	131,377
Eliminated on disposals	-	2,840	-	2,840
Depreciation at 31.5.91	32,811	11,844	83,882	128,537
Net book value at 31.5.90	227,612	8,611	30,396	266,619
Net book value at 31.5.91	334,720	28,963	37,493	401,176

Land and Buildings comprise

Holding Company as above
Improvement to Greyhound Stadium

<u>1991</u>	<u>1990</u>
355,483	260,423
12,048	-
367,531	260,423

10. STOCKS

	<u>Group</u> <u>1991</u> £	<u>Holding Company</u> <u>1991</u> £	<u>1990</u> £
Pavilion Bar	300	300	679
Greyhound Stadium Bar	403	-	-
Club Shop	14,801	14,801	17,036
	15,504	15,101	17,715

11. STAFF NUMBERS

The average number of employees, excluding directors during the year was as follows:

	<u>1991</u>	<u>1990</u>
Players	44	42
Coaching staff	4	5
Ground staff	3	2
Commercial	5	5
Administration	5	5
Greyhound Stadium	2	-

12. BANK OVERDRAFT

	<u>Group</u> <u>1991</u> £	<u>Holding Company</u> <u>1991</u> £	<u>1990</u> £
Secured on land	154,988	154,988	102,878
Unsecured	279,380	230,325	210,705
	434,368	385,313	313,583

13. TRADE AND OTHER CREDITORS

	<u>£</u>	<u>£</u>	<u>£</u>
Trade creditors	291,137	268,483	200,596
Other taxes and social security	76,238	76,238	70,370
Season tickets recieved in advance	35,811	35,811	65,456
Hire purchase	16,775	16,775	6,589
	419,961	397,307	343,011

14. CREDITORS

Amounts falling due after more than one year

	<u>£</u>	<u>£</u>	<u>£</u>
Boddingtons Breweries Ltd. - secured on social club	90,000	90,000	90,000
Building Society mortgage	41,857	41,857	40,983
Hire purchase	7,350	7,350	4,474
Unsecured loans	23,419	23,419	16,503
	162,626	162,626	151,960

15. CALLED UP SHARE CAPITAL

	<u>£</u>	<u>£</u>	<u>£</u>
Ordinary shares of £1 each	1,000,000	1,000,000	1,000,000
Authorised	299,582	299,582	264,607
Allotted, called up and fully paid			

16. INVESTMENTS

	Group	Holding Company	
	1991	1991	1990
	£	£	£
Loan to group undertakings	-	1,211	-
Shares in group undertakings	-	2	-
Investment in Rugby League Enterprises Limited	1,000	1,000	-
	1,000	2,213	-

17. PROFIT AND LOSS ACCOUNT

	£	£	£
Loss brought forward	(328,332)	(328,332)	(172,256)
Loss for the year	(216,262)	(215,613)	(156,076)
	(544,594)	(543,945)	(328,332)
Deficiency of reserves	(352,172)	(352,172)	(352,172)
Loss carried forward	(896,766)	(896,117)	(680,504)

18. SUBSIDIARY COMPANY

The company holds two ordinary shares in Oldham Greyhound Stadium Limited, a company registered in England. This represents the total amount of shares issued.

REPORT OF THE AUDITORS

To the members of Oldham Rugby League Football Club plc.

We have audited the financial statements set out on pages 5 to 16 in accordance with 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 financial statements give a true and fair view of the state of affairs of the company at 31st May 1991 and of the loss and source and application of funds for the year then ended and comply with the Companies Act 1985.

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

31st January 1992

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the third Annual General Meeting of Oldham Rugby League Football Club plc will be held at the Royton Assembly Hall on Wednesday 18th March 1992, at 7.30p.m.

Ordinary Business

1. To receive the Company's financial statements for the year ended 31st May 1991 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, T. Patterson and J. Quinn who retire by rotation pursuant to Article 74 of the Articles of Association of the Company but who being eligible offer themselves for re-election,
3. 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

I. T. Carr
Secretary

31st January 1992

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).

THURSDAY, MARCH 19, 1992



AT the helm. Left to right: Fred Howarth (honorary secretary), coach Peter Tunks, directors Jim Quinn, John Chadwick (chairman), Tom Patterson, Mike Winterbottom, Ian Carr and the auditor, David Taylor.

BUY-A-PLAYER FUND UP TO £9,000

director Jim Quinn is "enthusiastic" that the novel idea of raising cash for the club has been given the go-ahead so to do.

new players, one of whom was Robert Turner of Warrington. Coach Peter Tunks said he had been interested in

Mr Quinn said a syndicate of female fans had raised £1,000 and another supporter promised him £500 as he walked across the car park after the London Crusaders match.

Mr Quinn said a syndicate of female fans had raised £1,000 and another supporter promised him £500 as he walked across the car park after the London Crusaders match.