

PARTICK THISTLE FOOTBALL CLUB LIMITED
REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2009

Milne Craig
Chartered accountants
Registered auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2009

	Page
Company Information	1
Report of the Directors	2 to 3
Report of the Independent Auditors	4 to 5
Profit and Loss Account	6
Statement of Total Recognised Gains and Losses	7
Balance Sheet	8
Notes to the Financial Statements	9 to 13

DIRECTORS:

A Cowan
T Hughes
R Gilliland
G A Bannerman
D Beattie
E D Prentice
K P Dempsey
W M Allan

SECRETARY:

Gerber Landt & Gee

REGISTERED OFFICE:

Firhill Stadium
90 Firhill Road
Glasgow
G20 7AL

REGISTERED NUMBER:

SC005417 (Scotland)

AUDITORS:

Milne Craig
Chartered accountants
Registered auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

BANKERS:

Bank of Scotland
St George's Cross
2 Clarendon Place
Glasgow
G20 7PY

SOLICITORS:

Andersons Solicitors LLP
125 West Regent Street
Glasgow
G2 2SA

PARTICK THISTLE FOOTBALL CLUB LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MAY 2009

The directors present their report with the financial statements of the company for the year ended 31st May 2009.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of a professional football club.

DIRECTORS
The directors shown below have held office during the whole of the period from 1st June 2008 to the date of this report.

- A Cowan
- T Hughes
- R Gillilan
- G A Banneman
- D Beattie

Other changes in directors holding office are as follows:

- T B McMaster - resigned 17th July 2008
- E D Prentice - appointed 1st July 2008
- K P Dempsey - appointed 11th September 2008
- W M Allan - appointed 15th May 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). 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.

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, Milne Craig, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

T Hughes - Director
11th January 2010

PARTICK THISTLE FOOTBALL CLUB LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MAY 2009

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
PARTICK THISTLE FOOTBALL CLUB LIMITED**

We have audited the financial statements of Partick Thistle Football Club Limited for the year ended 31st May 2009 on pages six to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st May 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in the notes to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £220,788 during the year ended 31st May 2009 and, at that date, the company's current liabilities exceeded its current assets by £845,811. These conditions, along with the other matters explained in the notes to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
PARTICK THISTLE FOOTBALL CLUB LIMITED**

Matters on which we are required to report by exception
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; or
- the directors were not entitled to prepare the financial statements and the Report of the Directors in accordance with the small companies regime.

S B Malcolm CA (Senior Statutory Auditor)
for and on behalf of Milne Craig

Chartered accountants
Registered auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

11th January 2010

PARTICK THISTLE FOOTBALL CLUB LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MAY 2009

	Notes	£	2009	£	2008
TURNOVER			1,524,685		1,433,939
Administrative expenses			<u>1,663,834</u>		<u>1,602,102</u>
OPERATING LOSS	2		(139,149)		(168,163)
Interest receivable and similar income			-		46
Interest payable and similar charges			(139,149)		(168,117)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>81,639</u>		<u>100,406</u>
Tax on loss on ordinary activities	3		-		-
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION			<u>(220,788)</u>		<u>(268,523)</u>
DEFICIT FOR THE YEAR			(220,788)		(268,523)
Deficit brought forward:			(1,205,469)		(481,087)
As previously reported			-		(500,000)
Prior year adjustment			<u>(1,205,469)</u>		<u>(981,087)</u>
As restated			(1,205,469)		(1,249,610)
Property historical cost depreciation			44,141		44,141
DEFICIT CARRIED FORWARD			<u>(1,382,116)</u>		<u>(1,205,469)</u>

PARTICK THISTLE FOOTBALL CLUB LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31ST MAY 2009

	2009	2008
LOSS FOR THE FINANCIAL YEAR	£ (220,788)	£ (268,523)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>£ (220,788)</u>	<u>£ (268,523)</u>
Prior year adjustment		(500,000)
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT		<u>£ (768,523)</u>

PARTICK THISTLE FOOTBALL CLUB LIMITED

BALANCE SHEET
31ST MAY 2009

	Notes	2009	2008
		£	£
FIXED ASSETS			
Tangible assets	4	4,680,101	4,783,177
CURRENT ASSETS			
Stocks	5	8,318	7,285
Debtors		96,257	104,489
Cash in hand		1,000	3,042
CREDITORS			
Amounts falling due within one year	6	105,575	114,816
		<u>951,386</u>	<u>750,024</u>
NET CURRENT LIABILITIES		<u>(845,811)</u>	<u>(635,208)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,834,290	4,147,969
CREDITORS			
Amounts falling due after more than one year	7	856,529	949,423
		<u>2,977,761</u>	<u>3,198,546</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	9	1,574,042	1,574,042
Share premium	10	843,586	843,583
Revaluation reserve	10	1,942,249	1,986,390
Profit and loss account		(1,382,116)	(1,205,469)
		<u>2,977,761</u>	<u>3,198,546</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 11th January 2010 and were signed on its behalf by:

A Cowan - Director

T Hughes - Director

PARTICK THISTLE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2009

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of freehold land and buildings and are in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Going Concern

The directors consider it appropriate to prepare the financial statements on the going concern basis. The going concern is subject to the continued support from the bank, and the continued support from the company's creditors, as well as continued support from the fans. The financial statements do not include any adjustments that would result from a withdrawal of the borrowing facilities by the company's bankers.

Turnover

Turnover represents gate receipts, catering, merchandising and sales invoices, exclusive of value added tax. Consideration is given to the point at which the company is entitled to receive the income.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Pitch relay	- 5% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

Included within the value of Freehold property is £675,000 (2008 - £675,000) of Freehold land which is not depreciated.

Freehold land and property is included at valuation which is periodically updated in accordance with Financial Reporting Standard 15.

Stocks

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

Deferred tax

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

A deferred tax asset on trading losses carried forward at the balance sheet date has not been recognised as there is uncertainty as to when this will be realised.

Intangible fixed assets

Costs associated with the acquisition and retention of players are capitalised and treated as intangible fixed assets. These amounts are amortised evenly over the contract period on the basis of nil residual values. No capitalisation of contracts has taken place in the accounts.

Grants Receivable

Grants received in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Revaluation Reserve

Any surpluses arising on the revaluation of individual tangible assets are credited to a revaluation reserve. On the disposal of any such revalued asset the corresponding surplus or deficit is transferred to the profit and loss account. The difference between the depreciation calculated on a historical cost basis and on the revalued basis is transferred to the profit and loss account on an annual basis.

PARTICK THISTLE FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MAY 2009

2. OPERATING LOSS

The operating loss is stated after charging:

	2009	2008
Depreciation - owned assets	£ 121,904	£ 121,088
Auditors remuneration	4,850	4,900
Directors' remuneration and other benefits etc	-	-

3. TAXATION

Analysis of the tax charge.
 No liability to UK corporation tax arose on ordinary activities for the year ended 31st May 2009 nor for the year ended 31st May 2008.

4. TANGIBLE FIXED ASSETS

	Freehold property £	Pitch relay £	Fixtures and fittings £
COST OR VALUATION			
At 1st June 2008	5,594,496	199,710	534,521
Additions	-	-	18,828
At 31st May 2009	5,594,496	199,710	553,349
DEPRECIATION			
At 1st June 2008	1,009,129	93,045	449,756
Charge for year	99,389	5,333	15,539
At 31st May 2009	1,108,518	98,378	465,295
NET BOOK VALUE			
At 31st May 2009	4,485,978	101,332	88,054
At 31st May 2008	4,585,367	106,665	84,765

4. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1st June 2008	39,739	9,774	6,378,240
Additions	-	-	18,828
At 31st May 2009	39,739	9,774	6,397,068
DEPRECIATION			
At 1st June 2008	33,925	9,208	1,595,063
Charge for year	1,454	189	121,904
At 31st May 2009	35,379	9,397	1,716,967
NET BOOK VALUE			
At 31st May 2009	4,360	377	4,680,101
At 31st May 2008	5,814	566	4,783,177

Included in cost or valuation of land and buildings is freehold land of £675,000 (2008 - £675,000) which is not depreciated.

Cost or valuation at 31st May 2009 is represented by:

	Freehold property £	Pitch relay £	Fixtures and fittings £
Valuation in 1990	2,207,095	199,710	553,349
Cost	3,387,401	199,710	553,349
	5,594,496	199,710	553,349
	-	-	-
Valuation in 1990	-	-	-
Cost	39,739	9,774	6,397,068
	39,739	9,774	6,397,068
	-	-	-
Valuation in 1990	-	-	-
Cost	2,207,095	9,774	2,207,095
	39,739	4,189,973	4,189,973
	39,739	9,774	6,397,068

Land and buildings were initially revalued in 1990 by Buan Wallace and Partners and this revaluation was incorporated in the financial statements in 1990. FRS 15 requires that assets included at valuation be subject to periodic formal revaluations. On 10th August, 2006 the land and buildings were valued by Montagu Evans on an open market basis, if the site were redeveloped for residential purposes at a valuation of £5 million. The directors consider that this method of valuation is appropriate as various options are currently being explored regarding the development of the club's grounds.

The valuation has not been included in the accounts at 31st May, 2009 as, at that date, the development plans were still being explored and the ground was still being used on its existing use basis. The directors do however consider that the valuation amply supports the carrying value of freehold property in the accounts.

PARTICK THISTLE FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MAY 2009

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Trade debtors	53,248	36,605
Directors' current accounts	836	169
Prepayments and accrued income	30,423	61,715
Other loans	11,750	6,000
	<u>96,257</u>	<u>104,489</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Bank loans and overdraft	557,711	645,742
Trade creditors	79,899	48,536
Social security and other taxes	218,605	-
Value added tax	52,681	9,032
Other creditors	-	27,443
Accruals and deferred income	42,490	19,471
	<u>951,386</u>	<u>750,024</u>

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

	2009	2008
	£	£
Bank loans - 1-2 years	118,399	115,122
Bank loans - 2-5 years	355,198	345,367
Bank loans more 5 years	382,932	488,934
	<u>856,529</u>	<u>949,423</u>

Amounts falling due in more than five years:

Repayable by instalments	382,932	488,934
Bank loans more 5 years	<u>382,932</u>	<u>382,932</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	2009	2008
	£	£
Bank overdrafts	439,311	530,620
Bank loans	974,929	1,064,545
	<u>1,414,240</u>	<u>1,595,165</u>

Bank borrowings are secured by a bond and floating charge, by the Bank of Scotland, on all the assets of the company, and a standard security over the football stadium.

PARTICK THISTLE FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MAY 2009

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			
Number:	Class:	Normal value:	
684,792	A Ordinary	£1	2009
8,890,000	B Ordinary	10p	2008
			£
			685,042
			889,000
			<u>1,574,042</u>
			<u>1,574,042</u>

10. RESERVES

	Share premium	Revaluation reserve	Totals
	£	£	£
At 1st June 2008	843,586	1,986,390	2,829,976
Property historical cost depreciation	-	(44,141)	(44,141)
At 31st May 2009	<u>843,586</u>	<u>1,942,249</u>	<u>2,785,835</u>

11. CONTINGENT LIABILITIES

Under current contracts with the Bank of Scotland an exit fee of £200,000 is payable when the bank loan is repaid in full. This has not been provided in the accounts at 31st May, 2009 as there is no intention to repay the bank loans in the foreseeable future and the directors are currently renegotiating all bank facilities with the bank, with a view to eliminating this condition.

12. TRANSACTIONS WITH DIRECTORS

The following loan to directors subsisted during the years ended 31st May 2009 and 31st May 2008:

	2009	2008
	£	£
G A Bannerman		
Balance outstanding at start of year	169	3,238
Balance outstanding at end of year	836	169
Maximum balance outstanding during year	<u>836</u>	<u>3,238</u>

The amount is interest free and will be repaid in the normal course of trading.

13. RELATED PARTY DISCLOSURES

During the year management fees of £25,135 were paid to Newlands Clark, a management consultancy company owned by E Prentice one of the directors.

Shares are held by a variety of persons. No one person can exercise control over the company.