

Registered number: SC171034

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024**

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

COMPANY INFORMATION

| | |
|-----------------------------|---|
| Directors | R J MacGregor J D MacDonald J K MacKenzie (appointed 25 January 2024) |
| Registered number | SC171034 |
| Registered office | The Global Energy Stadium Victoria Road Jubilee Park Road Dingwall Ross-shire IV15 9QZ |
| Independent auditors | Anderson Anderson & Brown Audit LLP Prime Four Business Park Kingswells Aberdeen AB15 8PU |

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

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ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MAY 2024

Introduction

The company's principal activity during the year continued to be the operation of Ross County Football Club.

Business review

The club have experienced a challenging run of recent campaigns, however the board are pleased to remain in the top flight of Scottish football and season 2023/24 kicked off with a degree of optimism but balanced against continuing financial headwinds and a continued investment in strengthening the first team squad for the future. All of this pointed to another difficult financial outlook for the season. At the outset of the season we set two main targets:- firstly to retain our position in the SPFL premiership and secondly to mitigate the negative impact on our cash flows of what was looking like a difficult financial landscape. The board were pleased to achieve their first objective by retaining the club's SPFL Premiership place following a win in the two legged playoff final against Raith Rovers.

The second objective was achieved thanks to a cash injection into the club by our ultimate holding company which covered our losses and we would like to record our thanks to our parent for this continuing support.

Looking forward we are continually reviewing our strategy for the long term that will protect our club in the upper tier of the SPFL.

Principal risks and uncertainties

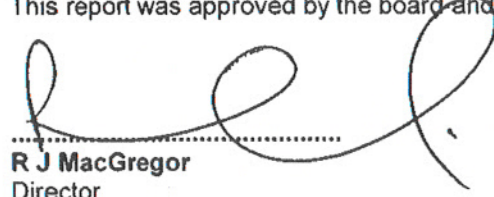
The principal risks and uncertainties associated with running a professional football club derive from players and managers' contracts, the transfer market, revenues from broadcasting contracts, attendance levels at the home games, and the continuing support of the local business community. Results on the pitch, maintaining league position, and successful cup runs can have an influence on certain of these matters but all are influenced by matters outwith the company's direct control.

The directors prepare and continually update a business plan, including financial forecasts, to adapt to changing circumstances and results and to mitigate these risks.

Key performance indicators

The directors consider the performance in the league and cup competitions to be key indicators of the performance of the club.

This report was approved by the board and signed on its behalf.



.....
R J MacGregor
Director

Date: 5/3/25

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2024

The directors present their report and the financial statements for the year ended 31 May 2024.

Results and dividends

The profit for the year, after taxation, amounted to £NIL (2023 - loss £579,472).

No dividends were paid in the year (2023 - NIL).

Directors

The directors who served during the year were:

R J MacGregor
J D MacDonald
J K MacKenzie (appointed 25 January 2024)

Future developments

The goal of the directors is to create a sustainable, community-based model for future stability. To this end the short-term target is to preserve the club's position in the Scottish Premiership.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

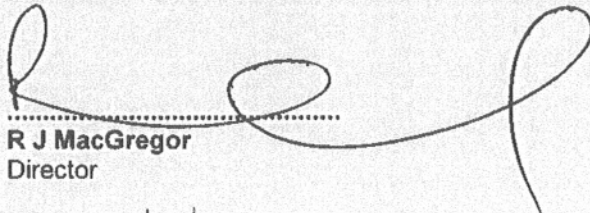
Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditors

The auditors, Anderson Anderson & Brown Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....
R J MacGregor
Director

Date: 5/3/25

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MAY 2024

The directors are responsible for preparing the Strategic report, the Directors' report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

Opinion

We have audited the financial statements of Ross County Football Club (1998) Limited (the 'company') for the year ended 31 May 2024, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, 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 May 2024 and of its loss 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 United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROSS COUNTY FOOTBALL CLUB (1998) LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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 Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' responsibilities statement set out on page 3, 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 is 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.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROSS COUNTY FOOTBALL CLUB (1998) LIMITED (CONTINUED)

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 an Auditors' report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The laws and regulations we considered in this context were the Companies Act 2006 and UK Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the company's key performance indicators to meet targets
- Timing and completeness of revenue recognition
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the company needs to comply with for the purpose of trading

Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness
- Testing a sample of sales transactions to source documentation and a review of revenue recognised either side of the year end to ensure recorded in the correct period.
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing judgements made by management in their calculation of accounting estimates for potential management bias
- Enquiries of management about litigation and claims and inspection of relevant correspondence
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' report.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROSS COUNTY FOOTBALL CLUB (1998) LIMITED (CONTINUED)

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 an Auditors' report 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.

Anderson Anderson and Brown Audit LLP

Graeme Penman (Senior statutory auditor)

for and on behalf of

Anderson Anderson & Brown Audit LLP

Prime Four Business Park

Kingswells

Aberdeen

AB15 8PU

Date:

5 March 2025

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2024

| | Note | 2024 £ | 2023 £ |
|---|------|--------------------|--------------------|
| Turnover | 4 | 5,597,056 | 3,915,751 |
| Cost of sales | | (7,065,223) | (6,160,945) |
| Gross loss | | (1,468,167) | (2,245,194) |
| Administrative expenses | | (476,626) | (566,490) |
| Related undertaking loan forgiven | | 1,423,756 | 1,682,000 |
| Operating loss | 5 | (521,037) | (1,129,684) |
| Tax on loss | 8 | 521,037 | 550,212 |
| Profit/(loss) for the financial year | | - | (579,472) |

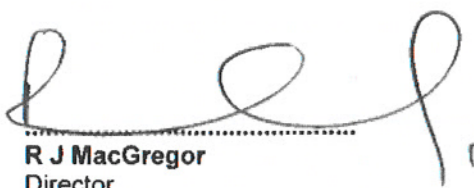
There were no recognised gains and losses for 2024 or 2023 other than those included in the statement of comprehensive income.

The notes on pages 13 to 23 form part of these financial statements.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED**REGISTERED NUMBER: SC171034****STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2024**

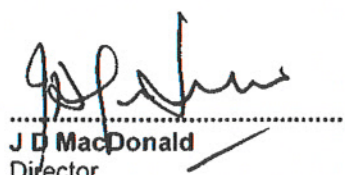
| | Note | 2024 £ | 2023 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 10 | 4,674,564 | 4,830,113 |
| | | <u>4,674,564</u> | <u>4,830,113</u> |
| Current assets | | | |
| Stocks | 11 | 4,353 | 64,018 |
| Debtors: amounts falling due within one year | 12 | 1,816,852 | 995,853 |
| Cash at bank and in hand | 13 | 134,207 | 185,532 |
| | | <u>1,955,412</u> | <u>1,245,403</u> |
| Creditors: amounts falling due within one year | 14 | (2,222,197) | (1,583,482) |
| Net current liabilities | | <u>(266,785)</u> | <u>(338,079)</u> |
| Total assets less current liabilities | | <u>4,407,779</u> | <u>4,492,034</u> |
| Creditors: amounts falling due after more than one year | 15 | (1,428,687) | (1,512,942) |
| Net assets | | <u><u>2,979,092</u></u> | <u><u>2,979,092</u></u> |
| Capital and reserves | | | |
| Called up share capital | 19 | 3,757,097 | 3,757,097 |
| Share premium account | | 300,000 | 300,000 |
| Revaluation reserve | | 824,040 | 824,040 |
| Profit and loss account | | (1,902,045) | (1,902,045) |
| | | <u><u>2,979,092</u></u> | <u><u>2,979,092</u></u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



R J MacGregor
Director

Date: 5/3/25



J D MacDonald
Director

Date: 5/3/25

The notes on pages 13 to 23 form part of these financial statements.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2024

| | Called up share capital £ | Share premium account £ | Revaluation reserve £ | Profit and loss account £ | Total equity £ |
|--|---------------------------------|----------------------------------|-----------------------------|---------------------------------|-------------------|
| At 1 June 2022 | 3,757,097 | 300,000 | 824,040 | (1,322,573) | 3,558,564 |
| Comprehensive income for the year | | | | | |
| Loss for the year | - | - | - | (579,472) | (579,472) |
| At 1 June 2023 | 3,757,097 | 300,000 | 824,040 | (1,902,045) | 2,979,092 |
| At 31 May 2024 | 3,757,097 | 300,000 | 824,040 | (1,902,045) | 2,979,092 |

The notes on pages 13 to 23 form part of these financial statements.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MAY 2024

| | 2024 £ | 2023 £ |
|---|--------------------|--------------------|
| Cash flows from operating activities | | |
| Loss for the financial year | - | (579,472) |
| Adjustments for: | | |
| Depreciation of tangible assets | 178,865 | 183,180 |
| Taxation charge | (521,037) | (550,212) |
| Decrease/(increase) in stocks | 59,665 | (47,182) |
| (Increase) in debtors | (661,591) | (302,396) |
| (Decrease)/increase in creditors | (317,603) | 417,801 |
| Related party loan forgiven | (1,423,756) | (1,682,000) |
| Net cash generated from operating activities | <u>(2,685,457)</u> | <u>(2,560,281)</u> |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (23,316) | (189,580) |
| Net cash from investing activities | <u>(23,316)</u> | <u>(189,580)</u> |
| Cash flows from financing activities | | |
| Repayment of other loans | (57,900) | (48,250) |
| Related party loan financing | 2,715,348 | 2,648,018 |
| Net cash used in financing activities | <u>2,657,448</u> | <u>2,599,768</u> |
| Net (decrease) in cash and cash equivalents | <u>(51,325)</u> | <u>(150,093)</u> |
| Cash and cash equivalents at beginning of year | 185,532 | 335,625 |
| Cash and cash equivalents at the end of year | <u>134,207</u> | <u>185,532</u> |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 134,207 | 185,532 |
| | <u>134,207</u> | <u>185,532</u> |

The notes on pages 13 to 23 form part of these financial statements.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

ANALYSIS OF NET DEBT FOR THE YEAR ENDED 31 MAY 2024

| | At 1 June 2023 £ | Cash flows £ | Other non- cash changes £ | At 31 May 2024 £ |
|--------------------------|------------------------|------------------|------------------------------------|------------------------|
| Cash at bank and in hand | 185,532 | (51,325) | - | 134,207 |
| Debt due after 1 year | (1,056,675) | - | 57,900 | (998,775) |
| Debt due within 1 year | (53,075) | (57,900) | 53,075 | (57,900) |
| | <u>(924,218)</u> | <u>(109,225)</u> | <u>110,975</u> | <u>(922,468)</u> |

The notes on pages 13 to 23 form part of these financial statements.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

1. General information

Ross County Football Club (1998) Limited is a limited liability company incorporated in Scotland. The registered office is Jubilee Park Road, Dingwall, Ross-shire, IV15 9QZ.

The principal activity continued to be the operation of Ross County Football Club.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The company is principally financed via its operating cash flows along with financial support from its ultimate parent undertaking and its subsidiaries. This support has been re-affirmed during the year through further advances. The ultimate parent company has signaled its intention to continue to support the company when required in the form of a signed letter of support.

Given this, the directors remain confident that the company can continue to operate as a going concern and accordingly, the Financial Statements have been prepared on this basis.

2.3 Revenue

Season ticket sales and gate receipts are recognised over the football season as games are played. Sponsorship and similar commercial income is recognised over the duration of the respective contracts. Broadcasting and similar revenues are recognised over the duration of the season to which they relate. Prize money is recognised in the period in which it was earned.

2.4 Leased assets

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.5 Grants

Grants and donations 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 installments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

2. Accounting policies (continued)

2.6 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.7 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

2.9 Player Transfers

Income in relation to player transfers are recognised on receipt of approval from the ultimate governing body. Expenditure in relation to player transfers are recognised on a straight line basis over the period of the respective players contracts.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

| | |
|-----------------------|---------------------------|
| Freehold property | - 2.5% straight line |
| Motor vehicles | - 20% reducing balance |
| Fixtures and fittings | - 10% - 33% straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

2. Accounting policies (continued)

2.15 Employee benefits

The costs of short-term employee benefits are recognised as an expense in the period in which they arise.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.16 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements, requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of financial position date and the amounts reported during the year for revenue and costs. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgements and estimates have had the most significant impact on amounts recognised in the financial statements.

Impairment of debtors

The company assesses the recoverable value of trade and other debtors and makes provision for doubtful debts. In making this assessment, management consider various factors including the ageing profile of debtors, historical experience and the financial standing of the customer.

4. Turnover

The total turnover of the company has been derived from its principal activity wholly undertaken in the UK.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

5. Operating loss

The operating loss is stated after charging:

| | 2024 £ | 2023 £ |
|---------------------------------------|----------------|----------------|
| Depreciation of tangible fixed assets | 178,865 | 183,180 |
| Release of deferred capital grants | (26,355) | (26,355) |
| | <u>152,510</u> | <u>156,825</u> |

During the year, no director received any emoluments (2023 - £NIL).

No personnel outwith the directors are considered to be key management.

6. Auditors' remuneration

During the year, the company obtained the following services from the company's auditors:

| | 2024 £ | 2023 £ |
|--|---------------|---------------|
| Fees payable to the company's auditors for the audit of the company's financial statements | 14,400 | 10,500 |
| | <u>14,400</u> | <u>10,500</u> |

7. Employees

Staff costs were as follows:

| | 2024 £ | 2023 £ |
|-------------------------------------|------------------|------------------|
| Wages and salaries | 3,972,407 | 3,555,949 |
| Social security costs | 445,453 | 414,900 |
| Cost of defined contribution scheme | 43,704 | 39,968 |
| | <u>4,461,564</u> | <u>4,010,817</u> |

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

| | 2024 No. | 2023 No. |
|-------------------------------------|-------------|-------------|
| Management, playing and admin staff | 76 | 71 |
| Directors | 2 | 2 |
| | <u>78</u> | <u>73</u> |

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

8. Taxation

| | 2024 £ | 2023 £ |
|--|------------------|------------------|
| Group taxation relief | (521,037) | (550,212) |
| Taxation on loss on ordinary activities | (521,037) | (550,212) |

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2023 - lower than) the standard rate of corporation tax in the UK of 25% (2023 - 19%). The differences are explained below:

| | 2024 £ | 2023 £ |
|--|------------------|------------------|
| Loss on ordinary activities before tax | (521,037) | (1,129,684) |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19%) | (130,259) | (214,640) |
| Effects of: | | |
| Expenses not deductible for tax purposes | 2,615 | - |
| Non-taxable income | (355,939) | (341,718) |
| Fixed asset timing differences | 29,291 | 22,744 |
| Unrelieved tax losses carried forward | 454,281 | 533,614 |
| Group relief | (521,026) | (550,212) |
| Total tax credit for the year | (521,037) | (550,212) |

9. Exceptional items

| | 2024 £ | 2023 £ |
|--|-------------|-------------|
| Related company loans forgiven (note 20) | (1,423,756) | (1,682,000) |

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

10. Tangible fixed assets

| | Freehold land and buildings £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|-------------------------------------|-------------------------------------|------------------------|-------------------------------|------------------|
| Cost or valuation | | | | |
| At 1 June 2023 | 5,475,198 | 30,838 | 1,121,376 | 6,627,412 |
| Additions | 13,650 | - | 9,666 | 23,316 |
| At 31 May 2024 | <u>5,488,848</u> | <u>30,838</u> | <u>1,131,042</u> | <u>6,650,728</u> |
| Depreciation | | | | |
| At 1 June 2023 | 916,825 | 23,620 | 856,854 | 1,797,299 |
| Charge for the year on owned assets | 117,286 | 1,444 | 60,135 | 178,865 |
| At 31 May 2024 | <u>1,034,111</u> | <u>25,064</u> | <u>916,989</u> | <u>1,976,164</u> |
| Net book value | | | | |
| At 31 May 2024 | <u>4,454,737</u> | <u>5,774</u> | <u>214,053</u> | <u>4,674,564</u> |
| At 31 May 2023 | <u>4,558,373</u> | <u>7,218</u> | <u>264,522</u> | <u>4,830,113</u> |

The net book value of land and buildings may be further analysed as follows:

| | 2024 £ | 2023 £ |
|--------------------|------------------|------------------|
| Freehold buildings | 3,654,737 | 3,758,373 |
| Freehold land | 800,000 | 800,000 |
| | <u>4,454,737</u> | <u>4,558,373</u> |

11. Stocks

| | 2024 £ | 2023 £ |
|------------------|--------------|---------------|
| Goods for resale | <u>4,353</u> | <u>64,018</u> |

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

12. Debtors

| | 2024 £ | 2023 £ |
|------------------------------------|------------------|----------------|
| Trade debtors | 186,910 | 364,634 |
| Amounts owed by group undertakings | 256,112 | 96,704 |
| Other debtors | 1,098,763 | 302,215 |
| Prepayments and accrued income | 275,067 | 232,300 |
| | <u>1,816,852</u> | <u>995,853</u> |

13. Cash and cash equivalents

| | 2024 £ | 2023 £ |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | <u>134,207</u> | <u>185,532</u> |

14. Creditors: Amounts falling due within one year

| | 2024 £ | 2023 £ |
|------------------------------------|------------------|------------------|
| Other loans (Note 17) | 57,900 | 53,075 |
| Trade creditors | 267,551 | 594,679 |
| Amounts owed to group undertakings | 1,041,683 | 90,190 |
| Taxation and social security | 293,160 | 198,826 |
| Accruals and deferred income | 561,903 | 646,712 |
| | <u>2,222,197</u> | <u>1,583,482</u> |

15. Creditors: Amounts falling due after more than one year

| | 2024 £ | 2023 £ |
|--------------------------|------------------|------------------|
| Other loans (Note 17) | 998,775 | 1,056,675 |
| Capital grants (Note 16) | 429,912 | 456,267 |
| | <u>1,428,687</u> | <u>1,512,942</u> |

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

16. Capital grants

| | 2024 £ | 2023 £ |
|----------------------|----------------|----------------|
| At 1 June | 456,267 | 482,622 |
| Released in the year | (26,355) | (26,355) |
| | <u>429,912</u> | <u>456,267</u> |

17. Loans

Analysis of the maturity of loans is given below:

| | 2024 £ | 2023 £ |
|--|------------------|------------------|
| Amounts falling due within one year | | |
| Other loans | 57,900 | 53,075 |
| Amounts falling due 1-2 years | | |
| Other loans | 57,900 | 57,900 |
| Amounts falling due 2-5 years | | |
| Other loans | 173,700 | 173,700 |
| Amounts falling due after more than 5 years | | |
| Other loans | 767,175 | 825,075 |
| | <u>1,056,675</u> | <u>1,109,750</u> |

The company received funds from the Scottish Government as part of the Government's Covid-19 support measures. Funds were made available through an interest free loan and is due to be repaid in full by August 2042. Repayments are payable in equal monthly installments.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

18. Financial instruments

| | 2024 £ | 2023 £ |
|---|--------------------|--------------------|
| Financial assets | | |
| Financial assets measured at fair value through profit or loss | 134,207 | 185,532 |
| Financial assets that are debt instruments measured at amortised cost | 1,541,785 | 763,553 |
| | <u>1,675,992</u> | <u>949,085</u> |
| Financial liabilities | | |
| Financial liabilities measured at amortised cost | <u>(2,737,041)</u> | <u>(2,176,657)</u> |

Financial assets measured at fair value through profit or loss comprise cash at bank and on hand.

Financial assets that are debt instruments measured at amortised cost comprise trade and other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other loans, other creditors and accruals.

19. Share capital

| | 2024 £ | 2023 £ |
|--|------------------|------------------|
| Allotted, called up and fully paid | | |
| 3,757,097 (2023 - 3,757,097) Ordinary shares of £1.00 each | <u>3,757,097</u> | <u>3,757,097</u> |

20. Related party transactions

During the year the company received loan advances and entered into certain other financing transactions from companies under common control, £1,423,756 (2023 - £1,682,000) of these amounts were forgiven during the year. At the year end a net debtor balance of £785,571 (2023 - £6,514) remains outstanding in respect of these transactions.

During the year the company made sales totaling £100,289 (2023 - £436,430) to and purchases totaling £77,727 (2023 - £223,821) from companies under common control, the net amount due to these parties at the year end was £15,436 (2023 - £3,971).

In addition to this, the company also made sales totaling £22,333 (2023 - £18,263) to and purchases totaling £20,188 (2023 - £19,415) from companies under the control of a family member of a director, the net amount due to these parties in relation to these transactions at the year end was £2,160 (2023 - £4,801).

All transactions were carried out at market rates.

ROSS COUNTY FOOTBALL CLUB (1998) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024

21. Controlling party

The company's ultimate parent undertaking and controlling entity is GEG Capital Investments Limited. The company is included in the group's financial statements prepared to 31 March 2024, copies of which are available from it's registered office at 13 Henderson Road, Inverness, IV1 1SN.