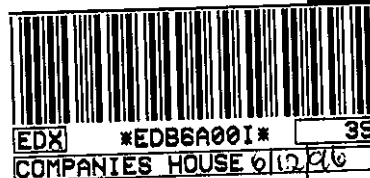


BOLTON WANDERERS

Football and Athletic Company Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS 30th June, 1996



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Bolton Wanderers Football and Athletic Company Limited

Notice of Meeting

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of Shareholders will be held on Thursday, 31st October, 1996 at the Executive Club, Burnden Park, Bolton at 10.30 in the morning for the following purposes:

AGENDA

- (1) To receive and to consider the Company's Financial Statements for the year ended 30th June, 1996 together with the Reports of the Directors and Auditors thereon.
- (2) To elect Directors.
- (3) To appoint Auditors and to authorise the Directors to fix their remuneration.
- (4) To receive a report on the stadium development.
- (5) To transact any other Ordinary Business of the Company.

By order of the Board
D. McBain
Secretary

Burnden Park,
Bolton.
4th October, 1996

NOTES

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a Member of the Company.
 2. Proxy forms to be valid, must be received at the Registered Office of the Company not less than forty-eight hours before the time fixed for the Meeting.
 3. Admission to the Meeting will be by production of these Financial Statements.
- Will Members please notify the Secretary, in writing, of any change of address.

Bolton Wanderers Football and Athletic Company Limited

PRESIDENT: N. Lofthouse, Esq.

LIFE VICE PRESIDENTS: G. E. Ashworth, Esq.
T. Edge, Esq.
J. Lightbown, Esq.
H. D. Warburton, Esq.

HONORARY VICE PRESIDENT: F. Smith, Esq.
R. Best, Esq.

DIRECTORS: G. Hargreaves, Esq. (Chairman)
G. Ball, Esq.
P. A. Gartside, Esq.
B. Scowcroft, Esq.
G. Seymour, Esq.
G. Warburton, Esq.
W. B. Warburton, Esq.

CHIEF EXECUTIVE/SECRETARY: D. McBain, Esq.

MANAGER: C. Todd, Esq.

REGISTERED OFFICE: Burnden Park, Bolton

REGISTERED NUMBER: 43026 England & Wales

AUDITORS: Bentley & Co.
Chartered Accountants and Registered Auditors

BANKERS: The Co-operative Bank PLC, Manchester

SOLICITORS: Kippax Beaumont & Lewis, Bolton

The Report of the Chairman

Our first season in the Premier League unfortunately proved to be most frustrating and a tremendous disappointment to all concerned. Due to circumstances partially beyond our control, which have been adequately documented, we never really got to grips with the League until into the New Year, by which time the mountain was too high to climb and we ran out of games. Considering our League position, the Club had tremendous support during the season with home League gates averaging 18,822.

The appointment of joint Managers did not work and the Club made the decision just into the New Year to dispense with the services of Roy McFarland. He gave 100% dedication to his job and the Club, and we wish him well in the future.

After the excitement of our Cup runs in recent years we were disappointed to lose to Leeds United 1-0 in the 4th Round of the Football Association Cup after winning 3-0 at Bradford City and to Norwich City on penalties after a replay in the 4th Round of the Coca Cola Cup having beaten Brentford and Leicester City in the previous rounds.

The Reserve team finished in ninth position in the Pontin's League First Division.

The Youth team finished 5th in the 2nd Division of the Lancashire League and it was decided to enter them into the 1st Division this season in order that they may gain experience against more senior opposition.

The Club continues to place a greater emphasis on Youth and, with that in mind, have appointed Martin Dobson as the full-time Youth Development Officer ably assisted by Jimmy Dewsnip. It is the Club's intention to produce a stronger youth feeder system.

Senior scouting led by Ian McNeil continues to recommend both experienced and potential Players in order for the Manager to strengthen his squad.

I would like to thank Dr. D. Dennard and Physiotherapist, Ewan Simpson, who again had an extremely busy year with injuries having lost a number of key Players at critical times during the season.

Our Safety Officer, Colin Sumner, and his stewarding staff were under much greater pressure last season with almost capacity gates each game and they came through with flying colours as did the administration of the Club under the watchful eye of Des McBain.

The administration is becoming more computerised, methods are changing with postal and fax ticket applications and credit card payments becoming more the normal. Our credit facilities for season tickets is proving quite popular.

The Report of The Chairman (continued)

I am sure, however, that we will have some administration teething troubles when we move into our new stadium, but we will continue to bring in modern technology for supporters' convenience.

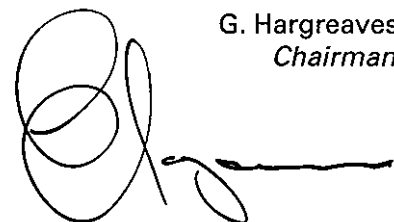
At this point I feel that I must make special reference to our new Bankers, The Co-operative Bank, who have been exceptionally helpful, both in the day to day running of the Club and especially the assistance and financial support given for the Stadium Project.

Terry Holland's team has again produced outstanding results on the Commercial and Sponsorship side of the Club, as have the Club Shops and the Executive Club.

Sponsorship is a major source of income and my grateful thanks go to Reebok, our main sponsors, who have shown their confidence in Bolton Wanderers by signing a new four year sponsorship and kit agreement taking us to the year 2000. Thank you to all our Sponsors and Advertisers for their continued support.

I am sure that you will agree that our season in the Premier League was special. Everyone involved with Bolton Wanderers and, in particular, the Shareholders and Supporters deserve Premier League Football and to that end we will strive to regain that status as quickly as possible and attempt to stay there.

Finally I wish to thank our President, Nat Lofthouse, and my fellow Directors for their loyal and continued support during what had been an extremely difficult season.

A handwritten signature in black ink, consisting of a large, stylized 'G' followed by a horizontal line.

G. Hargreaves
Chairman

Report of the Directors

The Directors submit their Report and the Financial Statements for the year ended 30th June, 1996.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the Company continue to be those of a Professional Football League Club.

The Report of the Chairman on pages 3 and 4 reviewed the business of the Company during the year, its position at the end of the year and future developments.

RESULTS AND DIVIDENDS

The results for the year are set out in the attached Financial Statements.

Consolidated financial statements have not been prepared to incorporate the figures of the wholly owned Subsidiary Company, Bolton Sports Village Limited. This Company was formed to acquire the land for the development at Horwich and on the sale of the land to the developers the Company will cease trading.

MARKET VALUE OF LAND AND BUILDINGS

The Directors are of the opinion that the market value of the Freehold Land and Buildings at Burnden Park is in excess of the book value, and the Directors estimate the present day value to be £1.5 million.

CHARITABLE AND POLITICAL DONATIONS

The Company made no contribution for charitable or political purposes.

YOUR DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY WERE AS FOLLOWS:

	Number of Shares			
	At 30th June, 1996		At 30th June, 1995	
	Ordinary Shares of £3	Ordinary Shares of £1	Ordinary Shares of £3	Ordinary Shares of £1
G. Ball, Esq.	–	25	–	25
P. A. Gartside, Esq.	2,231	325	2,231	325
G. Hargreaves, Esq.	6,361	875	6,342	875
B. Scowcroft, Esq.	5,940	–	5,940	25
G. Seymour, Esq.	–	25	–	25
G. Warburton, Esq.	2,936	560	2,936	560
W. B. Warburton, Esq.	2,025	325	2,025	325

RE-ELECTION OF DIRECTORS

In accordance with the Articles of Association, Messrs G. Hargreaves, G. Warburton and W. B. Warburton retire from the Board by rotation and being eligible offer themselves for re-election.

AUDITORS

During the year Tierney & Co. resigned as Auditors of the Company and Bentley & Co. were appointed. In accordance with Section 384 of the Companies Act 1985 a resolution proposing the re appointment of Bentley & Co. as Auditors of the Company, will be put to the Annual General Meeting.

Signed on behalf of the Board of Directors.

G. Hargreaves
Director

Approved by the Board: 4th October, 1996

Directors Responsibilities

The Directors are required by UK company law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit and loss for that period. In preparing the financial statements, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made. Applicable accounting standards have been followed. The Directors are responsible for maintaining adequate accounting records, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities.

Auditors' Report

To the Members of Bolton Wanderers Football and Athletic Company Limited

We have audited the Financial Statements on pages 7 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of Directors and Auditors

As described above the Company's Directors are responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on these statements and report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination on a test basis, of evidence relevant to the amounts and disclosure in the Financial Statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the Financial Statements, and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Qualified opinion arising from failure to depreciate Land and Buildings

As stated in the Accounting Policies no depreciation is provided on Land and Buildings which is a departure from Statement of Standard Accounting Practice No. 12. The effect of a charge for depreciation at a rate of 2%, which is a generally adopted rate, would be to increase the loss before tax by £14,722.

Except for the above in our opinion the Financial Statements give a true and fair view of the state of the Company's affairs at 30th June, 1996 and of the profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

BENTLEY & CO.
Chartered Accountants
and Registered Auditors
7th October, 1996



Balance Sheet

As at 30th June 1996

	NOTES	1996	1995
		£	£
FIXED ASSETS			
Tangible Assets	7	1,285,019	1,162,521
Investments	8	8,830	19,697
		<u>1,293,849</u>	<u>1,182,218</u>
CURRENT ASSETS			
Stocks		188,131	77,850
Debtors	11	2,194,383	805,043
Cash at Bank: Bond Accounts		—	100,000
: Sporting Initiative		5,374	10,421
: Wanderers 2000		920	920
		<u>2,388,808</u>	<u>994,234</u>
CREDITORS			
Amounts falling due within one year	12	<u>3,189,979</u>	<u>1,906,376</u>
NET CURRENT LIABILITIES		(801,171)	(912,142)
TOTAL ASSETS LESS CURRENT LIABILITIES		492,678	270,076
CREDITORS			
Amounts falling due after more than one year	12	88,599	74,078
		404,079	195,998
PROVISION FOR LIABILITIES AND CHARGES	15	49,062	49,062
		<u>£355,017</u>	<u>£146,936</u>
CAPITAL AND RESERVES			
Called-Up Share Capital	16	123,750	123,750
Share Premium Account		206,626	206,626
£25 Loan Notes 1980/99	9	1,000	1,550
Capital Reserve		31,418	31,418
Loan Note Redemption Fund		25,397	25,397
		388,191	388,741
Profit and Loss Account	17	(33,174)	(241,805)
		<u>£355,017</u>	<u>£146,936</u>

Approved by the Board on 4th October, 1996: P. A. Gartside. Director.

The Notes on pages 9 to 13 form an integral part of these Financial Statements.

P. A. Gartside

Profit and Loss Account

Year ended 30th June 1996

	NOTES	1996	1995
		£	£
TURNOVER (Continuing Operations)			
Gate Receipts		3,382,150	3,050,006
Other Receipts		3,359,798	2,438,223
Transfer Fees		<u>7,610,000</u>	<u>522,500</u>
		14,351,948	<u>6,010,729</u>
COST OF SALES			
Match Expenses and Ground Maintenance		5,483,352	3,673,265
Other Direct Expenses		1,247,457	1,226,540
Transfer Fees and Expenses		<u>7,057,339</u>	<u>1,373,838</u>
		13,788,148	<u>6,273,643</u>
Gross Profit/(Loss)		563,800	(262,914)
Administration and General Expenses		<u>632,797</u>	<u>614,139</u>
OPERATING (LOSS)	2	(68,997)	(877,053)
Interest Payable	3	<u>94,788</u>	<u>83,706</u>
(Loss) on Ordinary Activities before Taxation		(163,785)	(960,759)
Taxation	5	<u>—</u>	<u>—</u>
(Loss) on Ordinary Activities after Taxation		(163,785)	(960,759)
Loan Note Investment		1,112	1,112
Grants from Ground Improvement Trust		—	—
Donations from Development Associations and Burnden Lifeline		<u>371,304</u>	<u>423,834</u>
Profit/(Loss) for the Financial Year		208,631	(535,813)
RETAINED PROFIT BROUGHT FORWARD		(241,805)	294,008
RETAINED PROFIT CARRIED FORWARD		<u>£ (33,174)</u>	<u>£(241,805)</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30th JUNE, 1996

There are no recognised gains or losses other than the profit attributable to the shareholders of the Company of £208,631 in the year ended 30th June, 1996 and the loss of £535,813 in the year ended 30th June, 1995. There is no material difference between the profit disclosed in the Profit and Loss Account and the profit on an unmodified historical cost basis.

The notes on pages 9 to 13 form an integral part of these Financial Statements.

Notes to the Financial Statements

Year ended 30th June 1996

1. ACCOUNTING POLICIES

Basis of Accounting

These Financial Statements are prepared under the Historical Cost Convention as modified by the revaluation of the Land and Buildings and are prepared in accordance with applicable accounting standards.

TANGIBLE FIXED ASSETS

Tangible Fixed Assets are valued at Cost or Professional Valuation.

Depreciation against specific assets is provided at the following rates which are calculated to write off those assets over their useful working life.

Land and Buildings	NIL
Machinery and Equipment	10% and 25% of cost
Motor Vehicles	25% of cost

STOCK

Stock is valued at the lower of cost or net realisable value of the separate items of stock.

TAXATION

Taxation is provided at the appropriate rates on the assessable profits for the year.

TRANSFER FEES

Fees are taken into revenue account on an accruals basis effective from the date of transfer. The value of playing staff at 30th June, 1996 is not reflected in the Balance Sheet of the Company.

PENSIONS

Certain members of the staff are members of either The Football League Limited Players Retirement Scheme or The Football League Limited Pension and Life Assurance Scheme, both of which are defined contribution schemes. The pension costs are charged to the Profit and Loss Account in the period for which the contributions are payable.

LEASING AND HIRE PURCHASE COMMITMENTS

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the Profit and Loss Account over the period of the lease and represents a constant periodic rate of charge.

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

GRANTS

Grants from the Ground Improvement Trust are taken into account on an accruals basis.

GROUND IMPROVEMENT LEVY

Ground improvement levy deductions are treated as accrued income to be released against future ground improvements.

TURNOVER

The turnover of the Company is based on actual receipts, including amounts accrued due from the Company's activity as a Professional Football League Club.

Notes to the Financial Statements (continued)

Year ended 30th June 1996

2. OPERATING LOSS	1996	1995
The loss on ordinary activities before taxation is stated after charging:		
	£	£
Directors' Emoluments	—	—
Depreciation charge for the year	92,690	92,614
Loss on Disposals	8,923	2,966
Auditors' Remuneration	1,800	3,700
Hire Purchase Interest	<u>72,852</u>	<u>8,153</u>
3. INTEREST PAYABLE	1996	1995
	£	£
On Bank Overdraft and Loans	<u>94,788</u>	<u>83,706</u>
4. STAFF COSTS		
No remuneration was paid to the Directors during the year		
	1996	1995
	£	£
Wages and Salaries	2,883,279	2,373,304
Social Security Costs	398,583	273,806
Pensions Contributions	30,464	35,036
	<u>£3,312,326</u>	<u>£2,682,196</u>
The average number of persons employed by the Company was:		
	1996	1995
Playing Staff	45	42
Management and Development	154	138
	<u>199</u>	<u>180</u>
5. TAXATION		
No liability to U.K. corporation tax arises on the results for the year.		
There are Taxation Losses to carry forward and available for offset against future taxable profits amounting to £5,507,777 (1995 £5,392,903).		
6. CAPITAL COMMITMENTS	1996	1995
Capital expenditure commitments at 30th June, 1996 were as follows		
	£	£
Contracted for	<u>NIL</u>	<u>NIL</u>

Notes to the Financial Statements (continued)

Year ended 30th June 1996

7. TANGIBLE FIXED ASSETS	Freehold Land and Buildings	Machinery and Equipment	Fixtures and Fittings	Motor Vehicles	Total
Cost or Valuation					
	£	£	£	£	£
At 1st July 1995	909,884	598,187	102,262	96,001	1,706,334
Additions	88,535	51,384	527	129,165	269,611
Disposals	—	—	—	(73,892)	(73,892)
At 30th June 1996	<u>998,419</u>	<u>649,571</u>	<u>102,789</u>	<u>151,274</u>	<u>1,902,053</u>
Depreciation					
At 1st July 1995	—	473,110	39,743	30,960	543,813
Charge for the year	—	57,045	8,930	26,715	92,690
Released on Disposal	—	—	—	(19,469)	(19,469)
At 30th June 1996	<u>—</u>	<u>530,155</u>	<u>48,673</u>	<u>38,206</u>	<u>617,034</u>
Net Book Value at 30th June 1996	<u>£998,419</u>	<u>£119,416</u>	<u>£54,116</u>	<u>£113,068</u>	<u>£1,285,019</u>
Net Book Value at 30th June 1995	<u>£909,884</u>	<u>£125,077</u>	<u>£62,519</u>	<u>£65,041</u>	<u>£1,162,521</u>

Freehold Land and Buildings includes a 1970 valuation of £105,000. The total of Land and Buildings on historical cost principles is £966,165.

Assets with a net book value of £130,682 are subject to hire purchase commitments.

8. INVESTMENTS	1996	1995
	£	£
Loan Note Fund (see Note 9)	5,708	16,577
Medals (at cost)	3,120	3,120
Shares in subsidiary company (see note 10)	<u>2</u>	<u>—</u>
	<u>£8,830</u>	<u>£19,697</u>

9. £25 LOAN NOTES 1980-1999

Loan Notes are repayable by annual draw spread over 20 years until the year 1999.

	1996	1995
The cash at Bank on Loan Note Redemption Account has been invested as follows:		
	£	£
Deferred Annuity Policy	2,958	2,958
Cash at Bank (interest on London County Stock)	2,750	13,619
	<u>£5,708</u>	<u>£16,577</u>

Notes to the Financial Statements (continued)

Year ended 30th June 1996

10. SUBSIDIARY COMPANY

The Company owns the whole of the issued Share Capital of Bolton Sports Village Limited, a Company incorporated in England and Wales. Bolton Sports Village Limited trades as a property developer having acquired the land for the development of the site at Horwich. The development has a market value in excess of cost.

At the 30th June 1996 the Financial Statements of Bolton Sports Village Limited were:

PROFIT AND LOSS ACCOUNT		£
Loss for the period		<u>£(33,048)</u>
BALANCE SHEET		£
Current assets		7,202,623
Creditors amounts fully due within one year		<u>(7,235,669)</u>
Net liabilities		<u>£(33,046)</u>

The Directors are of the opinion that Consolidated Financial Statements are not required in respect of the Subsidiary Company in accordance with Section 229 (3c & 4) of the Companies Act 1985 as the Company will cease to trade within 12 months and the undertaking has not previously been included in the Parent Company's Group Financial Statements.

11. DEBTORS		1996	1995
		£	£
Trade Debtors due within one year		75,802	75,638
Amounts owed by Subsidiary Company		1,574,007	—
Prepayments		544,574	729,405
		<u>£2,194,383</u>	<u>£805,043</u>
12. CREDITORS	NOTES	1996	1995
Amounts falling due within one year:			
		£	£
Bank Overdrafts less Cash in Hand	13	479,360	286,010
Season Tickets 1995/96 in Advance		324,388	686,976
Trade Creditors		204,183	261,112
Taxation and Social Security Creditors		608,102	441,027
Obligations under Finance Leases and Hire Purchase Contracts		56,408	36,863
Wanderers 2000	14	9,600	9,600
Accruals		1,507,938	184,788
		<u>£3,189,979</u>	<u>£1,906,376</u>
Amounts falling due after more than one year:			
Obligations under Finance Leases and Hire Purchase Contracts (due within two to five years)		59,799	35,678
Wanderers 2000	14	28,800	38,400
		<u>£74,078</u>	<u>£74,078</u>

Notes to the Financial Statements (continued)

Year ended 30th June 1996

13. BANK OVERDRAFT FACILITIES

The Bank Overdraft is secured by a Debenture creating a Fixed and a Floating Charge over all The Company's assets. The Bank also holds a Guarantee and Debenture on the Assets of the Subsidiary Company.

14. WANDERERS 2000

This represents the Gold and Silver membership subscriptions which entitle the subscribers to season ticket discounts over a seven year period from 1993/94.

15. PROVISION FOR LIABILITIES AND CHARGES

	1996 £	1995 £
Sports Council and Football League Trust	<u>49,062</u>	<u>49,062</u>

The Sports Council and Football League Trust Grants are received in respect of the refurbishment of the Gymnasium and the opening of the Burnden Sporting Initiative. The terms under which the Grants are claimed include a right of clawback in the event of the termination of the Burnden Sporting Initiative.

16. CALLED UP SHARE CAPITAL

	Authorised		Allotted and Fully Paid	
	Number	£	Number	£
Special Ordinary Shares of £1 each	4,000	4,000	3,750	3,750
Ordinary Shares of £3 each	40,000	120,000	40,000	120,000
		<u>£124,000</u>		<u>£123,750</u>

17. RECONCILIATION OF SHAREHOLDERS FUNDS

	Opening Balance	Profit For Year	Loan/Notes Redeemed	Closing Balance
Called up Share Capital	123,750			123,750
Share Premium Account	206,626			206,626
Loan Notes	1,550		(550)	1,000
Capital Reserve	31,418			31,418
Loan Note Redemption Fund	25,397			25,397
Profit and Loss Account	(241,805)	208,631		(33,174)
	<u>£146,936</u>	<u>£208,631</u>	<u>£(550)</u>	<u>£355,017</u>

18. FINANCIAL COMMITMENTS

At 30th June 1996, the Company had annual commitments under operating leases expiring between two and five years, amounting to £20,313.

19. CONTINGENT LIABILITIES

The terms of certain contracts with other football clubs in respect of players' transfers include the payment of additional amounts upon fulfilment of specific conditions in the future. The maximum amount that could be payable is £730,000 (1995 £50,000).

Cash Flow Statement

Year ended 30th June 1996

	£	1996 £	1995 £
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		19,942	383,937
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest Paid	(94,788)		(83,706)
Interest Received	<u>1,112</u>		<u>1,112</u>
Net Cash Outflow from Returns on Investments and Servicing of Finance		(93,676)	<u>(82,594)</u>
TAXATION		—	—
INVESTING ACTIVITIES			
Payments to Acquire Investment	(2)		—
Payments to Acquire Tangible Fixed Assets	(269,611)		(147,577)
Receipts from Sales of Tangible Fixed Assets	<u>45,500</u>		<u>55,500</u>
Net Cash Outflow from Investing Activities		(224,113)	<u>(92,077)</u>
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		(297,847)	209,266
FINANCING			
Repayment of Loan Notes	(550)		(1,425)
Net Cash Inflow(Outflow) from Financing		(550)	<u>(1,425)</u>
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		<u>£(298,397)</u>	<u>£207,841</u>

Notes to the Cash Flow Statement

Year ended 30th June 1996

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES		1996	1995
		£	£
Operating Loss		(68,997)	(877,053)
Depreciation Charges		92,690	92,614
Loss/(Profit) on Sale of Tangible Fixed Assets		8,923	2,966
Movement in Stocks		(110,281)	31,433
Movement in Debtors		(1,389,340)	244,600
Movement in Creditors		1,104,774	465,543
Donations Received		371,304	423,834
Loan Note Investment Withdrawal		10,869	—
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		£19,942	£383,937

2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR		1996	1995
		£	£
Balance at 1st July 1995		(174,669)	(382,510)
Net Cash Inflow/(Outflow)		(298,397)	207,841
Balance at 30th June 1996		£(473,066)	£(174,669)

3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET				
	1996	1995	Change In Year	1995
	£	£	£	£
Cash at Bank and in Hand	6,294	111,341	(105,047)	3,283
Bank Overdraft	(479,360)	(286,010)	(193,350)	184,792
Bank Loan Account	—	—	—	19,766
	£(473,066)	£(174,669)	£(298,397)	£207,841