

**Company Registration No. SC438195 (Scotland)**

**PARS UNITED COMMUNITY INTEREST COMPANY**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2020**

**PAGES FOR FILING WITH REGISTRAR**

# PARS UNITED COMMUNITY INTEREST COMPANY

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# PARS UNITED COMMUNITY INTEREST COMPANY

## CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MAY 2020

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### General

I have pleasure in presenting the company's seventh set of statutory accounts, and my third as Chairman.

### Finances and trading

Throughout the year, the company's primary activity was that of acting as the holding company for its subsidiary, Dunfermline Athletic Football Club ("DAFC"). It is pleasing to note that, despite the early termination of the 2019-20 season and the other commercial difficulties raised by the Coronavirus pandemic, DAFC made a small profit during the period under review.

### Recent Developments

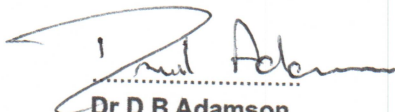
Since the end of the year, DAFC has received a significant injection of cash by way of a subscription for new Ordinary £1 shares by DAFC Fussball GmbH and that transaction has led to a reduction in your company's share of DAFC's equity from 96.38% to 66.2%. Your board was at all times kept fully apprised of the discussions leading up to that investment and is unanimous in welcoming both the new funds and the three new directors appointed to the board of DAFC.

### Operations

Generally, your board meets quarterly to discuss reports received from DAFC. Those reports normally cover financial matters, compliance issues and any other significant matter arising in the periods covered by the reports. During the period leading up to the new investment, however, the board met much more frequently.

Your company continues to be the controlling shareholder in DAFC and will continue to fulfil its supervisory role in the manner that it has to date.

On behalf of the board



Dr D B Adamson

Chairman

8/11/2020

# PARS UNITED COMMUNITY INTEREST COMPANY

## BALANCE SHEET

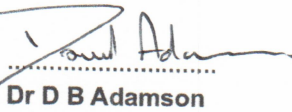
AS AT 31 MAY 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Investments	2		642,002		630,002
<b>Current assets</b>					
Debtors	5	54		40,542	
Cash at bank and in hand		23,251		4,464	
		23,305		45,006	
<b>Creditors: amounts falling due within one year</b>	6	(3,150)		(3,150)	
<b>Net current assets</b>			20,155		41,856
<b>Total assets less current liabilities</b>			662,157		671,858
<b>Capital and reserves</b>					
Called up share capital	8		885,053		885,053
Profit and loss reserves			(222,896)		(213,195)
<b>Total equity</b>			662,157		671,858

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 8/11/2020 and are signed on its behalf by:

  
 Dr D B Adamson  
 Chairman

Company Registration No. SC438195

# PARS UNITED COMMUNITY INTEREST COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 MAY 2020*

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### 1 Accounting policies

#### Company information

Pars United Community Interest Company is a private company limited by shares incorporated in Scotland. The registered office is East End Park, Halbeath Road, Dunfermline, Fife, KY12 7RB.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### 1.2 Going concern

At the date of the approval of the financial statements, the directors are aware of the potential impact on the trading subsidiary of Covid-19. The directors are actively taking all steps to mitigate any impact the virus may have on the trading subsidiary and the directors are satisfied the company has sufficient sources of current and future funding for the company's needs, and that it is therefore appropriate for the financial statements to be prepared on a going concern basis. The directors have considered a period of 12 months from the date of approval of the financial statements.

#### 1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# PARS UNITED COMMUNITY INTEREST COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 2 Fixed asset investments

	2020	2019
	£	£
Investments	642,002	630,002
	<u>          </u>	<u>          </u>

Investments are recorded at cost and reviewed annually for impairment.

# PARS UNITED COMMUNITY INTEREST COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

### 3 Subsidiaries

Details of the company's subsidiaries at 31 May 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
Dunfermline Athletic Football Club Limited	Scotland	Association Football	Ordinary	96.38

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
Dunfermline Athletic Football Club Limited	859,918	23,001

### 4 Associates

Details of the company's associates at 31 May 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
Pars United (EEP) Ltd	Scotland	Property Rental	A Ordinary	100.00

The A Ordinary shareholding above grants voting rights of 25.1% to the company.

### 5 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	54	40,542

### 6 Creditors: amounts falling due within one year

	2020 £	2019 £
Other creditors	3,150	3,150

### 7 Deferred taxation

# PARS UNITED COMMUNITY INTEREST COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 MAY 2020*

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### 7 Deferred taxation

(Continued)

Deferred tax is not recognised in respect of tax losses of £13,417 as it is not probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.



# PARS UNITED COMMUNITY INTEREST COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

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### 8 Called up share capital

	2020	2019
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
258,085 A Ordinary Shares of £1 each	258,085	258,085
626,968 B Ordinary Shares of £1 each	626,968	626,968
	<u>885,053</u>	<u>885,053</u>
	<u><u>885,053</u></u>	<u><u>885,053</u></u>

Any shares held by The Pars Supporters' Trust are designated as A Ordinary Shares. Any shares held by any other person are designated as B Ordinary Shares. The A Ordinary Shares and the B Ordinary Shares rank pari passu in all respects save that: the holder of the A Ordinary Shares has the right to nominate up to two persons to serve as directors; and the holders of the B Ordinary Shares, together, have the right to elect up to two persons to serve as directors. In addition to those class rights, all shareholders have the further right to elect up to two directors.

As a CIC, the company is subject to restrictions relating to disposals of assets and to dividends. Distributions by way of dividend and distribution of profits on a winding up can only be paid to nominated charities or other asset-locked bodies.

### 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Sharon Collins.

The auditor was Thomson Cooper.

### 10 Related party transactions

The company has taken advantage of Section 1 AC35 of FRS 102 whereby only material transactions which are not under normal market conditions need to be disclosed. There are no transactions with any related companies that are not under normal market conditions.