



TALLTRAY LIMITED

Company Number SC299691

ANNUAL REPORT **for the year ended 30 June 2017**

FRIDAY



S72B8F14

SCT

23/03/2018

#188

COMPANIES HOUSE

Annual Report for the year ended 30 June 2017

Directors and Advisers	Contents	Page
CHAIRMAN Stewart Milne (non-executive)	Strategic Report	1
VICE-CHAIRMAN George K Yule	Report of the Directors	3
CHIEF EXECUTIVE Duncan G Fraser	Independent Auditor's Report	5
DIRECTORS Gordon A Buchan (non-executive) Ian Jack (non-executive) J Craig Brown (non-executive) Duncan R Skinner (non-executive) David A Cormack (non-executive)	Profit and Loss Account	7
	Balance Sheet	8
	Statement of Changes in Equity	9
	Statement of Cash Flows	10
	Notes Forming Part of the Financial Statements	11-15
COMPANY SECRETARY Roy M Johnston		

REGISTERED OFFICE

Pittodrie Stadium
Pittodrie Street
Aberdeen
AB24 5QH

BANKERS

HSBC Bank PLC
95-99 Union Street
Aberdeen
AB11 6BD

SOLICITORS

Burness Paull LLP
Union Plaza
1 Union Wynd
Aberdeen
AB10 1DQ

INDEPENDENT AUDITOR

Deloitte LLP
Union Plaza
1 Union Wynd
Aberdeen
AB10 1SL

Strategic Report

Business Review

The Directors consider the key performance indicators of the Company to be turnover, (loss)/profit for the year and net assets.

The Company is a wholly owned subsidiary of its Parent Company, Aberdeen Football Club plc (AFC), a professional football club playing its Scottish Professional Football League matches at Pittodrie Stadium which is the principal asset of the Company. The Company has a long term lease agreement in place with AFC which expires on 30 July 2026 for the use of the stadium and surrounding land.

The loss for the year amounted to £2,161,000 (2016 – profit £332,000). The Directors do not propose payment of a dividend (2016 - £Nil) and recommend that the loss is transferred against reserves. The loss for the year is stated after an exceptional charge of £2,750,000 relating to the impairment of the carrying value of Pittodrie Stadium.

During the year the Directors considered the more difficult market conditions which have persisted in Aberdeen. The Directors appointed an external valuer F G Burnett Limited to perform a valuation of Pittodrie stadium as at 30 June 2017, which identified the estimated market value of the site at £15.25 million, which also equates to the estimated net residual value. This resulted in an impairment charge of £2.75 million being recognised in the profit and loss account for the year ended 30 June 2017 – see Note 7. As a result the Company is now in a net liability position of £1.434 million (2016 – net assets of £727,000). The Directors are satisfied with the Company's financial position given the Company's only obligation of £15.94 million due to the Parent Company is not due for repayment earlier than 31 December 2019.

Principal Risks and Uncertainties

The Directors believe that the principal risk to the Company is the prevailing commercial property market and the impact on the realisable value of Pittodrie stadium. If AFC relocate to a new stadium, as is being proposed, the stadium would require to be realised to assist the new stadium funding.

Going Concern

The Company has minimal ongoing working capital requirements and the Parent Company has confirmed that no repayment of intercompany balances will be sought prior to 31 December 2019. The Parent Company has also confirmed the availability of further support if required. The Directors have considered the foregoing and developed a reasonable expectation that the Company will continue as a going concern in the foreseeable future.

Financial Risk Management

The Company's principal financial instruments are bank balances and amounts due to the Parent Company. The credit risk on liquid funds is considered limited because the counterparty is a bank with a recognised credit-rating assigned by international credit-rating agencies. The Company's principal financial liabilities are amounts due to the Parent Company which are interest free and are not due for repayment prior to 31 December 2019. The Company does not make use of derivative financial instruments for speculative purposes.

Strategic Report (continued)

Future Prospects

In March 2016, AFC announced that it was making a new planning application for a site at Kingsford between Kingswells and Westhill some 250 metres to the West of the Aberdeen Western Peripheral Route currently under construction and which is expected to be open by Spring 2018. The site at Kingsford would allow AFC to develop much-needed training and community facilities for its professional players, Youth Academy and the Aberdeen FC Community Trust, and accommodate a new stadium as part of the proposed development

Following the Parent Company's decision to withdraw its planning application for Loirston in the South of Aberdeen, and make a new planning application for Kingsford in the West of Aberdeen, much time and energy has been expended to try to bring this to fruition. The planning application was discussed before a pre-determination meeting of the full Aberdeen City Council (ACC) in September and was intended to be followed by a vote by ACC in October. Following consultation with ACC the planning application was deferred to allow both parties to achieve greater clarity and understanding on certain aspects of the application, and at the date of writing a new date for a vote by the full Council has still to be announced.



On Behalf of the Board
Duncan G Fraser
Chief Executive
17 November 2017

Report of the Directors

The Directors have pleasure in submitting their Annual Report and audited Financial Statements for the year ended 30 June 2017.

1. DIRECTORS INFORMATION

Brief biographical details of the Directors who served during the year and to the date of this report are as follows: -

Stewart Milne was appointed a director and non-executive Chairman of the Company in April 2006. Stewart is also Executive Chairman of the Stewart Milne Group.

George Yule was appointed a director of the Company and executive Vice-Chairman in June 2012. His career background was in successfully managing and growing businesses in the Oil Sector internationally, and he has a wide network of key business contacts. George is also a Trustee for Aberdeen FC Community Trust, who along with the AFCCT Board, have taken the vision for the charity from concept to reality over the past 3 years.

Duncan Fraser was appointed a director of the Company and Chief Executive in April 2006. He is a Chartered Accountant and held senior positions in the oil and gas industry prior to his appointment. Duncan has held a number of key roles within the wider game. He remains an elected member of the SFA Professional Gaming Board and an elected member of the Competitions Working Group of the European Club Association. He is also a member of the UEFA Match Delegate Board and the FIFA Match Commissioners Board as well as a Trustee of the Scottish Football Benevolent Trust.

Gordon Buchan was appointed a non-executive director of the Company in April 2006. He is a solicitor and advises the Board on all legal matters concerning the Company.

Ian Jack was appointed a non-executive director of the Company in July 2011. Ian is Regional Vice-President for Europe for M-I SWACO UK.

Craig Brown was appointed a non-executive director of the Company in May 2014. Craig has a wealth of experience in football, being the longest serving Scotland manager over a period of 8 years encompassing 70 international matches and back-to-back qualifications for the 1996 European Championships and the 1998 World Cup. In club football Craig has managed Clyde, Preston North End, and Motherwell and managed the Club during the 2011/12 and 2012/13 seasons.

Duncan Skinner was appointed a non-executive director of the Company in January 2015. He is a Chartered Management Accountant with 34 years of experience in the Oil and Gas industry. Duncan took early retirement from his role as Chief Financial Officer at Wood Group PSN in April 2013 to concentrate his activities on social enterprise and charity work. He is Chairman of Glencraft Aberdeen Limited, a social enterprise employing blind and disabled people in the mattress and bed manufacturing sector, and also the Chairman of the Aberdeen FC Community Trust and is involved in a number of other similar organisations.

David Cormack was appointed a non-executive director of the Company in June 2017. He has 35 years of experience in the applications software industry. David lives in the United States, is an advisor to Battery Ventures, a Trustee of the Cormack Charitable Foundation, and an Ambassador for Children International.

Gordon Buchan and Duncan Fraser retire by rotation and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting. David Cormack was appointed since the last Annual General Meeting and requires his appointment to be ratified. Colin Welsh resigned as a Director on 19 September 2017.

An insurance policy for Directors' and Officers' Liability has been maintained during the course of the year

Report of the Directors (continued)

2. ENVIRONMENT

The Company recognises the importance of its environmental responsibilities. As the principal activity is the ownership and leasing of a football stadium, the impact on the environment is considered limited.

3. DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual 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 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 judgments and 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; and
- 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination on financial statements may differ from legislation in other jurisdictions.

4. AUDIT INFORMATION

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

5. AUDITOR

Deloitte LLP have indicated their willingness to be reappointed for another term and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.



On Behalf of the Board
Duncan G Fraser
Chief Executive
17 November 2017

Independent Auditor's Report

to the Members of Talltray Limited

Report on the audit of the Financial Statements

Opinion

In our opinion the Financial Statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of the loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements of Talltray Limited which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the statement of cash flows and related notes; and
- the related notes 1 to 17.

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).

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 auditor's 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 UK, including the FRC'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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the Financial Statements is not appropriate; or
- the directors have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. 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.

In connection with our audit of the Financial Statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. 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 respect of these matters.

Independent Auditor's Report to the Members of Talltray Limited (continued)

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement contained in the Report of the Directors, 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.

Auditor's 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 auditor's 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.

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 auditor's report.

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 auditor's 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.

Report on other legal and regulatory requirements

Opinions 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 Report of the Directors for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company 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.

We have nothing to report in respect of these matters



Graeme Sheils CA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Aberdeen, Scotland
20 November 2017

Profit and Loss Account

for the year ended 30 June 2017

	Notes	2017 £000	2016 £000
Turnover	3(d)	200	195
Other Operating Income	5	48	47
Exceptional item - impairment of Pittodrie Stadium	7	(2750)	-
(Loss)/Profit on Ordinary Activities Before Taxation	6	(2502)	242
Tax on (Loss)/Profit	8	341	90
(Loss)/Profit for the financial year		(2161)	332

All of the result for the current and previous year relate to continuing operations.

There are no gains or losses for the current and preceding financial years other than those dealt with through the Profit and Loss Account shown above. Consequently, no separate Statement of Comprehensive Income is presented.

The notes on pages 11 to 15 form part of the Financial Statements.

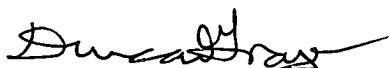
Balance Sheet

as at 30 June 2017

	Notes	2017 £000	2016 £000
Fixed Assets			
Tangible assets	9	15250	18000
Current Assets			
Cash at bank and in hand		8	8
Net Current Assets		8	8
Total Assets less Current Liabilities		15258	18008
Creditors			
Amounts falling due after more than one year	10	(15940)	(16140)
Deferred Taxation	8,11	-	(341)
Deferred Income	12	(752)	(800)
Net Liabilities		(1434)	727
Capital and Reserves			
Called-up share capital	13	-	-
Profit and loss account	14	(1434)	727
Shareholders' Deficit		(1434)	727

The notes on pages 11 to 15 form part of the Financial Statements.

The Financial Statements of Talltray Limited, registered number SC299691 were approved by the Board of Directors and authorised for issue on 17 November 2017.



Signed on behalf of the Board of Directors
Duncan G Fraser
 Chief Executive
 17 November 2017

Statement of Changes in Equity

for the year ended 30 June 2017

	Profit and Loss Account £000	Total £000
At 1 July 2015	395	395
Profit for the financial year and total comprehensive income	332	332
At 30 June 2016	<u>727</u>	<u>727</u>
Loss for the financial year and total comprehensive loss	(2161)	(2161)
At 30 June 2017	<u>(1434)</u>	<u>(1434)</u>

The notes on pages 11 to 15 form part of the Financial Statements.

Statement of Cash Flows

for the year ended 30 June 2017

Cash Flows from Operating Activities	2017	2016
	£000	£000
(Loss)/Profit for the financial year	(2161)	332
Amortisation of grants	(48)	(47)
Impairment of Pittodrie Stadium	2750	-
Decrease in debtors	-	7
Decrease in creditors	(200)	(195)
Tax credit	(341)	(90)
Net cash inflow from operating activities	<u>-</u>	<u>7</u>
Cash and cash equivalents at 1 July	8	1
Cash and cash equivalents at 30 June	<u>8</u>	<u>8</u>

The notes on pages 11 to 15 form part of the Financial Statements.

Notes Forming Part of the Financial Statements

for the year ended 30 June 2017

1. Company Information

The Company (number SC299691) is a Private Limited Company limited by shares incorporated and registered in Scotland, United Kingdom, with its registered office and principal place of business at Pittodrie Stadium, Pittodrie Street, Aberdeen AB24 5QH. The principal activity of the Company is the leasing of its only asset Pittodrie Stadium to its Parent Company, Aberdeen Football Club plc number SC005364, whose registered office and principal place of business is Pittodrie Stadium, Pittodrie Street, Aberdeen AB24 5QH. The Company trades only in Scotland, UK.

2. Basis of Preparation

(a) Financial Statements

The Financial Statements have been prepared in UK Sterling currency under the historical cost convention and in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 and with the Companies Act 2006. The Financial Statements incorporate the results of the Company, made up to 30 June.

(b) Going Concern

The Company has net liabilities of £1.434 million as at 30 June 2017, which include £15.940 million due to its parent company and not repayable before 31 December 2019. The nature of activities are such that the Company does not have a working capital requirement of any significance. Having considered the circumstances, the Directors are satisfied that the Company has sufficient resources to continue to meet its obligations as they fall due and have a reasonable expectation that the Company will continue as a going concern for the foreseeable future.

Accordingly, the Financial Statements continue to be prepared on a going concern basis.

(c) Related Party Transactions

The Company has taken advantage of the exemption not to disclose transactions with its parent company as permitted by FRS102.

3. Principal Accounting Policies

The principal accounting policies, which have been applied consistently in the current and prior year are summarised below.

(a) Tangible Assets

Tangible assets are stated at cost less depreciation, calculated to write off their cost in equal annual amounts over their estimated useful lives down to their estimated residual value. Pittodrie Stadium is not depreciated as the net book value is deemed to equate to the residual value.

(b) Grants

Grants received from the Football Trust for stands, safety improvements and plant are credited to deferred income and amortised through the profit and loss account over the estimated useful lives of the related assets.

(c) Taxation

Corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

(d) Turnover

The Company has one principal class of business which is the owning and leasing of a football stadium. The Company has a long term lease agreement in place with its Parent Company, which expires on 30 July 2026, which allows the entity the use of the stadium and surrounding land. Turnover represents income receivable, net of VAT, from stadium leasing.

Notes Forming Part of the Financial Statements

for the year ended 30 June 2017

3. Principal Accounting Policies (continued)

(e) Impairment of Assets

Assets other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the profit and loss account. An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount is the higher of its fair value less costs to sell and its value in use.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

Revenue recognition

Revenue is recognised only when the Company's obligations are considered to have been fulfilled, the amount can be measured reasonably, and it is probable that the economic benefits associated with a transaction will be received.

Key sources of estimation uncertainty

Carrying value of Pittodrie Stadium

Pittodrie Stadium is carried at net residual value. The determination of the residual value net of selling costs includes an estimation of the market value of a potential property development on the Pittodrie Stadium site. The Company appointed an external valuer to perform this assessment and a valuation report on Pittodrie Stadium was prepared by F G Burnett Limited as at 30 June 2017. The reported market value of £15.25 million was adopted into these Financial Statements and resulted in an impairment charge of £2.75 million being recognised in the profit and loss account for the year ended 30 June 2017 - see Note 7.

5. Other Operating Income	2017	2016
	£000	£000
Amortisation of grants	48	47
6. (Loss)/Profit on Ordinary Activities Before Taxation	2017	2016
	£000	£000
This is stated after crediting: -		
Rents receivable from operating leases	200	195
Amortisation of grants	48	47

Notes Forming Part of the Financial Statements

for the year ended 30 June 2017

7.	Exceptional item - impairment of Pittodrie Stadium	2017	2016
		£000	£000

Impairment of Pittodrie Stadium	(2750)	-
---------------------------------	---------------	----------

The impairment of the carrying value of Pittodrie Stadium was assessed by the Directors as at 30 June 2017, based on a valuation report prepared by F G Burnett Limited. The value of Pittodrie Stadium has been affected by the downturn in the local economy over the last two years, accompanied by a consequent drop in property values throughout the North-East of Scotland. The carrying value of Pittodrie Stadium has been assessed against the estimated net realisable value of Pittodrie Stadium and surrounding car parks and ancillary land and an impairment charge of £2.75 million has been recognised in these Financial Statements. Further information is given in Note 9.

8.	Tax on (Loss)/Profit for year	2017	2016
		£000	£000

Deferred tax – see Note 11	341	90
Taxation credit	341	90

The Company has estimated taxation losses available for carry forward amounting to £1,819,000 (30 June 2016 – £2,019,000) - see Note 11. The blended rate of tax for the year, based on the UK standard rate of corporation tax, is 19.75% (30 June 2016 – 20.00%). The actual tax charge for the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation.

(Loss)/Profit before taxation	(2502)	242
Tax on (loss)/profit at standard rate	(494)	48
Factors affecting charge for the period:		
Impairment	169	-
Non-taxable income	(9)	(9)
Utilisation of tax losses	(40)	(39)
Gains etc.	-	(52)
Tax rate changes	33	(38)
Total amount of tax credit to Profit and Loss Account	(341)	(90)

9.	Tangible Assets	Pittodrie Stadium £000
	Cost	
	At 1 July 2016	18000
	Impairment of Pittodrie Stadium	(2750)
	At 30 June 2017	15250
	Depreciation	
	At 1 July 2016	-
	Provided in the year	-
	At 30 June 2017	-
	Net Book Value	
	At 30 June 2017	15250
	At 30 June 2016	18000

Pittodrie Stadium is carried at net residual value. A valuation of Pittodrie Stadium and the surrounding car-parks and land was prepared as at 30 June 2017 by F G Burnett Limited and identified the estimated market value of the site which equates to the residual value, at £15.25 million. Consequently, the value of £15.25 million has been adopted into the Financial Statements and resulted in an impairment charge of £2.75 million being recognised as at 30 June 2017 – see Note 7. As the net book value at 30 June 2017 represents the estimated residual value of Pittodrie Stadium, there is no depreciation charge.

Notes Forming Part of the Financial Statements

for the year ended 30 June 2017

10.	Creditors: Amounts falling due after more than one year	2017	2016
		£000	£000
	Due to Parent Company	15940	16140

The amounts due to the Parent Company are interest free and do not require repayment before 31 December 2019.

11.	Deferred Taxation	2017	2016
		£000	£000
	At 1 July	341	431
	Release of deferred tax on revaluation of Pittodrie Stadium	(341)	(90)
	At 30 June	-	341

At 30 June 2017 the Company has an unrecognised deferred tax asset of £308,000 (30 June 2016 - £362,000) which primarily represents the availability of tax losses for carry forward. The ability of the Company to utilise the deferred tax asset depends primarily on future trading performance. The deferred tax asset has not been recognised given the uncertainty as to the availability of future profits to utilise the accumulated tax losses.

12.	Deferred Income	2017	2016
		£000	£000
	Deferred grant income - from Football Trust		
	At 1 July	800	847
	Released to profit and loss account	(48)	(47)
	At 30 June	752	800

13.	Called-up Share Capital	2017	2016
		£	£
	Allotted and fully paid		
	1 Ordinary Shares of £1 pence each	1	1

14. Reserves

Profit and Loss Account

The Profit and Loss Account includes all current and prior year retained profits and losses. Included within the Profit and Loss Account is £2,663,000 (2016 - £5,413,000) of non-distributable reserves represented by unrealised property revaluations under previous UK GAAP.

15. Contingent Liabilities

The Company has exited all obligations to Bank of Scotland, other than in regard to a contingent liability which may arise on the disposal of Pittodrie stadium if any part of the proceeds is not reinvested in a new stadium. This remaining commitment to the Bank of Scotland was secured until 31 October 2017 by a floating charge and a standard security over the stadium, cross guaranteed by the Parent Company and secured also by a floating charge from the Parent Company.

Following 31 October 2017, the contingent liability will continue to exist, but is not subject to any security.

Notes Forming Part of the Financial Statements

for the year ended 30 June 2017

16. Financial Instruments	2017	2016
	£000	£000
<u>Financial assets</u> – measured at undiscounted amount receivable		
Cash at bank and in hand	<u>8</u>	<u>8</u>
	2017	2016
	£000	£000
<u>Financial liabilities</u> – measured at undiscounted amount payable		
Due to Parent Company	<u>15940</u>	<u>16140</u>

17. Controlling Party

At the balance sheet date, the Company is a wholly-owned subsidiary of Aberdeen Football Club plc. Aberdeen Football Club plc is the smallest and largest group which consolidates the results of this company. The Parent Company does not have a single controlling party.