

Company Registration No. SC438195 (Scotland)

PARS UNITED COMMUNITY INTEREST COMPANY

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

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 2021

I have pleasure in presenting your company's eighth set of statutory accounts, and my fourth 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 see that, despite the whole of season 2020-21 being played out behind closed doors, DAFC's accounts reflect a profit for the year to 31 May 2021, due in no small way to the very considerable financial commitments of the club's supporters and to grants from the Scottish Government and the SPFL Trust to assist Championship clubs to survive the impact of Coronavirus.

Board Changes

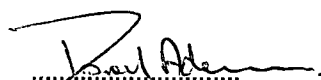
With effect from 3 November 2021, Karyn Forrester resigned as a Director. Karyn's other work commitments became ever more onerous as a result of the Covid-19 pandemic. On behalf of the whole Board, I must thank Karyn for her commitment to, and efforts on behalf of, the Company.

Karyn was an A Director and appointed by The Pars Supporters' Trust ("the PST"). The PST appointed Timothy Curle to fill the vacancy created by Karyn's resignation and Timothy has already made valuable contributions to our various Board meetings.

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 year ended 31 May 2021, your Board met on five occasions.

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.



Dr D B Adamson

Chairman

Date: 17/02/22

PARS UNITED COMMUNITY INTEREST COMPANY

BALANCE SHEET

AS AT 31 MAY 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-------|-----------|-----------|-----------|-----------|
| Fixed assets | | | | | |
| Investments | 2 | | 642,002 | | 642,002 |
| Current assets | | | | | |
| Debtors | 5 | - | | 54 | |
| Cash at bank and in hand | | 16,860 | | 23,251 | |
| | | 16,860 | | 23,305 | |
| Creditors: amounts falling due within one year | 6 | (2,007) | | (3,150) | |
| Net current assets | | | 14,853 | | 20,155 |
| Total assets less current liabilities | | | 656,855 | | 662,157 |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 885,053 | | 885,053 |
| Profit and loss reserves | | | (228,198) | | (222,896) |
| Total equity | | | 656,855 | | 662,157 |

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

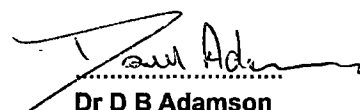
For the financial year ended 31 May 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 17 FEBRUARY 2022 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 2021

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 time of approving the financial statements, the directors have a reasonable expectation that the company's trading subsidiary has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors have assessed budgets and cashflow of the trading subsidiary and they are satisfied that the it has sufficient cash reserves. Thus the directors continue to adopt the going concern basis of accounting in preparing 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.

PARS UNITED COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

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.

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.

PARS UNITED COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

2 Fixed asset investments

| | 2021 £ | 2020 £ |
|-------------|-----------|-----------|
| Investments | 642,002 | 642,002 |

Investments are recorded at cost and reviewed annually for impairment.

3 Subsidiaries

Details of the company's subsidiaries at 31 May 2021 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 | 66.22 |

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 | 1,664,050 | 204,132 |

4 Associates

Details of the company's associates at 31 May 2021 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

| | 2021 £ | 2020 £ |
|--------------------------------------|-----------|-----------|
| Amounts falling due within one year: | | |
| Amounts owed by group undertakings | - | 54 |

PARS UNITED COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

6 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|------------------------------------|--------------|--------------|
| | £ | £ |
| Amounts owed to group undertakings | 207 | - |
| Other creditors | 1,800 | 3,150 |
| | <u>2,007</u> | <u>3,150</u> |

7 Deferred taxation

Deferred tax is not recognised in respect of tax losses of £18,719 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 2021

8 Called up share capital

| | 2021 £ | 2020 £ |
|--------------------------------------|----------------|----------------|
| Ordinary share capital | | |
| Issued and fully paid | | |
| 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> |

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 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.