

Company Registration No. SC387126 (Scotland)

**FOUNDATION OF HEARTS LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

# FOUNDATION OF HEARTS LIMITED

## COMPANY INFORMATION

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**Directors**

Mr D Cumming  
Mr S Wallace  
Mr D A R Bruce  
Ms L E Strutt  
Mr P Cheshire  
Mr G Mallon (Appointed 16 December 2021)  
Mr A Brown (Appointed 16 December 2021)

**Company number** SC387126

**Registered office**

Collins House  
Rutland Square  
Edinburgh  
EH1 2AA

**Accountants**

Johnston Carmichael LLP  
7-11 Melville Street  
Edinburgh  
EH3 7PE

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# FOUNDATION OF HEARTS LIMITED

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# FOUNDATION OF HEARTS LIMITED

## CHAIRMAN'S REPORT

**FOR THE YEAR ENDED 30 JUNE 2022**

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### **Our year in numbers**

On the pitch, in the 2021/22 season, Heart of Midlothian made an impressive and strong return to the Scottish Premier League. Claiming third place by early March, and only missing out on the Scottish Cup by an extra time loss despite having an injury-ravaged squad, the spirit and resilience of Hearts was demonstrated yet again. The team qualified for Europe and by time of writing this report we've seen the benefits of the phenomenal experience of European group stage football, for fans and players alike, drawing team and supporters together even closer in joyous shared journeys.

I am delighted to report that that this strength and resilience on the field was matched by equal strength off it. The Foundation of Hearts continued to receive a high level of member donations, and undeterred by the expense of European travel and the cost of living crisis, the relentless support of Foundation members allowed continued investment in the club, contributing in no small part to the success on the field.

In October 2022, our membership number remains almost identical to 12 months ago, at 8,734.

By August 2022 our members' total donations passed the phenomenal milestone of £14m, with £1.7 million passed to the club during the course of the financial year to June 2022.

In the past year, over 500 members received their plot certificates at plot ceremonies. Director of Members' Affairs, Garry Halliday, has now delivered 65 plot ceremonies for over 3500 members with his inspirational passion and characteristic humour.

We held an Open meeting in April 2022, attended by around 150 members, allowing a chance for members to hear from and put questions to club CEO Andrew McKinlay and Sporting Director Joe Savage.

Our open day event in October 2021 saw a capacity number of 2000 attendees given access to Tynecastle, meeting legends, collecting reward certificates and badges, and given unprecedented access as owners to their legendary home. This was highly successful and well received, and we will build upon this with a further open day in early 2023.

### **Governance**

In December 2021 three Directors were elected to the Foundation Board, following a contested election. This election process was well publicised, with both press and podcast interviews with all 5 candidates attracting significant attention. Louise Strutt was re-elected, and Andrew Brown and Gerry Mallon joined the board.

Stuart Wallace stepped down as Chairman of Foundation of Hearts and as ex-officio member of the Heart of Midlothian plc board at start of June 2022; Gerry Mallon was elected as his successor as Chairman and also joined the board of Heart of Midlothian.

Our AGM in December 2022 will see the end of the terms of office of two Directors – Stuart Wallace and Alastair Bruce.

I want to pay tribute to both, who for many years have gone above and beyond the call of duty in their unstinting work in service of Heart of Midlothian.

Stuart will always be remembered as the chairman who put the fan ownership ball in the back of the net. His leadership, diplomacy and vision guided the Foundation through the complex ownership transfer process and through the many tricky days during and following the covid shutdown of football. Stuart's willingness to be a friendly and approachable face of the Foundation (and of the club board, to all visitors) has extended our reach and impact, has won us many friends and supporters, and has built admiration for both the fans of Heart of Midlothian, and for our model of fan ownership, across Scotland and internationally. We know that Stuart will continue to win us friends by spreading his infectious enthusiasm for our cause.

# FOUNDATION OF HEARTS LIMITED

## CHAIRMAN'S REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2022**

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### Governance

(continued)

Alastair Bruce has been for many years the unsung hero of the Foundation, his responsibility for communication, marketing and social media channels making him one of the busiest and hardest working of our directors. Alastair's eloquence and gift for language has for years helped the FoH convey its complex messages to pledgers and the wider world. We will literally be at a loss for words with his retirement, but are relieved that he remains as a member of the Marketing Group.

This autumn we sought nominations from amongst Foundation members for the two Director vacancies as successors to Stuart and Alasdair. Two candidates have come forward and will be proposed at AGM for election to these roles.

### Future

The Foundation recently completed a major survey of members which has given us an unprecedented level of insight into the views of pledgers. Our intention is to build upon this, and to develop a Fans' Forum, to help shape and direct new initiatives by the Foundation and the club, informed by members' views.

As a volunteer organisation, our resources and capability are constrained to the level of volunteer capacity at our disposal. The directors of the Foundation of Hearts all fulfil voluntary roles and give many hours of their own time. We remain grateful to them all for their dedication and commitment, and to the small and dedicated group of volunteers working on marketing and plot ceremonies.

One dramatic insight from the survey is that over 2000 respondents indicated a willingness to give time to help the Foundation. This is hugely encouraging in suggesting a significant capacity to increase our level of activity and impact. The board will be working to determine how to quickly move forward with these findings, and to unlock some of this enthusiasm in service of the club.

### Conclusion

The Foundation continues to strive to fulfil its mandate to "create foundations and harness the passion, to help fulfil and maintain Hearts' destiny of greatness"

As the largest fan owned club in the UK, we have stayed close to the activities of the club and its board, via our two nominated directors. As the Foundation is the largest shareholder of Heart of Midlothian, and as a club which is "fan owned, not fan-run" it is critically important that we remain confident in the capability of the club board and its strategy. I am pleased to say that we remain confident that the club board and management are developing it in a way which is conducive both to the success on the pitch, but also long term financial stability, and with responsibility towards our communities.

Once again, on behalf of the Directors of the Foundation of Hearts, I pay tribute to the Legends in the Stands – who gave this club life and guaranteed its continuity – who who can now proudly call themselves owners of their club. Thank you for continuing to make the the future for Hearts an outstandingly positive prospect.



.....  
Gerry Mallon

**Chairman, Foundation of Hearts**

Date: 29 November 2022  
.....

# FOUNDATION OF HEARTS LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 30 JUNE 2022**

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The directors present their annual report and financial statements for the year ended 30 June 2022.

### Principal activities

The principal activity of the Foundation of Hearts Limited ("Foundation") is the administration of a membership organisation. The aim of the Foundation is to establish a secure future for Heart of Midlothian Football Club under fan ownership. The Foundation undertook to work with Bidco (1874) Ltd ("Bidco") to achieve this goal and in May 2014 the Foundation entered into an agreement with Bidco ("the agreement") under which ownership of Heart of Midlothian Football Club ("the club") would ultimately be transferred to the Foundation. On 30 August 2021 the Foundation acquired 75.1% of the equity in Heart of Midlothian plc from Bidco.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D Cumming	
Mr S Wallace	
Mr D A R Bruce	
Mr G Halliday	(Resigned 16 December 2021)
Ms L E Strutt	
Mr P Cheshire	
Mr G Mallon	(Appointed 16 December 2021)
Mr A Brown	(Appointed 16 December 2021)

### Results and dividends

During the year ended 30 June 2022, the Foundation received donations amounting to £1,699,928 (2021: £1,691,996) from supporters of Heart of Midlothian Football Club. The grand total of all donations received is £13,789,844 as at 30 June 2022. The donations received have been credited to the profit and loss account for the financial period.

The accumulated total advanced to Heart of Midlothian plc and Bidco (1874) Ltd as at 30 June 2022, including stadium redevelopment contributions, was £13,344,000 at 30 June 2022 which represents 97% of donations received.

Two current Foundation directors serve on the board of Heart of Midlothian plc. D Cumming and G Mallon were appointed on 1 July 2015 and 1 June 2022 respectively.

On 30 August 2021, in accordance with the Repayment and Funding Support Agreement entered into in May 2014, the Foundation of Hearts Limited paid the final equity instalment to Bidco (1874) Limited. This facilitated the transfer of 75.1% of the equity in Heart of Midlothian plc to the Foundation of Hearts Limited.

# FOUNDATION OF HEARTS LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2022**

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### Statement of directors' responsibilities

The directors are responsible for preparing 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 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 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



.....  
G Mallon  
**Director**

Date: 29 November 2022  
.....

# FOUNDATION OF HEARTS LIMITED

## REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF FOUNDATION OF HEARTS LIMITED

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Foundation of Hearts Limited for the year ended 30 June 2022 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS we are subject to its ethical and other professional requirements which are detailed at <https://icas.com/icas-framework-preparation-of-accounts>.

This report is made solely to the Board of Directors of Foundation of Hearts Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Foundation of Hearts Limited and state those matters that we have agreed to state to the Board of Directors of Foundation of Hearts Limited, as a body, in this report in accordance with the requirements of the ICAS as detailed at <https://icas.com/icas-framework-preparation-of-accounts>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Foundation of Hearts Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Foundation of Hearts Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Foundation of Hearts Limited. You consider that Foundation of Hearts Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Foundation of Hearts Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

*Johnston Carmichael LLP*

**Johnston Carmichael LLP**

**Chartered Accountants**

29 November 2022  
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7-11 Melville Street  
Edinburgh  
EH3 7PE

# FOUNDATION OF HEARTS LIMITED

## PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 30 JUNE 2022*

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		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Turnover</b>		1,699,928	1,691,996
Administrative expenses		(70,646)	(43,110)
Exceptional item	<b>2</b>	(1,525,000)	(1,666,000)
		<hr/>	<hr/>
<b>Profit/(loss) before taxation</b>		104,282	(17,114)
Tax on profit/(loss)	<b>4</b>	-	-
		<hr/>	<hr/>
<b>Profit/(loss) for the financial year</b>		<u>104,282</u>	<u>(17,114)</u>

# FOUNDATION OF HEARTS LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investments	6		2,500,000		2,400,000
<b>Current assets</b>					
Debtors	7	405		497	
Cash at bank and in hand		23,836		18,270	
		<u>24,241</u>		<u>18,767</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(6,336)</u>		<u>(5,144)</u>	
<b>Net current assets</b>			<u>17,905</u>		<u>13,623</u>
<b>Total assets less current liabilities</b>			<u>2,517,905</u>		<u>2,413,623</u>
<b>Capital and reserves</b>					
Profit and loss reserves			<u>2,517,905</u>		<u>2,413,623</u>

For the financial year ended 30 June 2022 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 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 29 November 2022 and are signed on its behalf by:



P Cheshire  
Director



G Mallon  
Director

Company Registration No. SC387126

# FOUNDATION OF HEARTS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

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	<b>Profit and loss reserves</b>
<b>Balance at 1 July 2020</b>	2,430,737
<b>Year ended 30 June 2021:</b>	
Loss and total comprehensive income for the year	(17,114)
<b>Balance at 30 June 2021</b>	<u>2,413,623</u>
<b>Year ended 30 June 2022:</b>	
Profit and total comprehensive income for the year	104,282
<b>Balance at 30 June 2022</b>	<u><u>2,517,905</u></u>

# FOUNDATION OF HEARTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2022**

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### **1 Accounting policies**

#### **Company information**

Foundation of Hearts Limited is a company limited by guarantee incorporated in Scotland. The registered office is Collins House, Rutland Square, Edinburgh, EH1 2AA.

The principal activity of the company in the year under review is that of an administration of a membership organisation and owner of 75.1% of the share capital of Heart of Midlothian PLC.

#### **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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover represents the value of the donations received by the Foundation during the year. The donations are included in the financial statements in the period in which they are received.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	33% Straight line
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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.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# FOUNDATION OF HEARTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

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### 1 Accounting policies (Continued)

#### 1.4 Fixed asset investments

Long term loans are measured at amortised cost less any accumulated impairment losses.

Investments are initially measured at cost and subsequently at cost less impairment losses.

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. As the Foundation of Hearts does not have such control under its working together agreement of Heart of Midlothian plc, its investment is not treated as a subsidiary but as an other investment.

#### 1.5 Cash at bank and in hand

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.

#### 1.6 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.

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

Basic financial liabilities, including creditors 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.

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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.7 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.

# FOUNDATION OF HEARTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

### 2 Exceptional costs

	2022	2021
	£	£
Non-repayable amounts in relation to subordinated loans treated as a donation	1,525,000	1,666,000

The Foundation acquired participation rights in the senior loan between Bidco (1874) Limited and Heart of Midlothian plc. Once the purchase of full loan participation rights was complete, further amounts have been transferred to Heart of Midlothian plc under the terms of a subordinated loan agreement and expensed in these financial statements.

### 3 Employees

The average monthly number of employees during the year was 0 (2021 - 0),

	2022 Number	2021 Number
Total	-	-

### 4 Taxation

The Foundation's income from donations does not constitute profit from trade. For the year, the Foundation has no income subject to corporation tax and, consequently, no change to corporation tax is made in the financial statements.

### 5 Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 July 2021 and 30 June 2022	743
<b>Depreciation and impairment</b>	
At 1 July 2021 and 30 June 2022	743
<b>Carrying amount</b>	
At 30 June 2022	-
At 30 June 2021	-

# FOUNDATION OF HEARTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2022

#### 6 Fixed asset investments

	2022 £	2021 £
Investments	2,500,000	-
Loans	-	2,400,000
	<u>2,500,000</u>	<u>2,400,000</u>

On 30 August 2021, in accordance with the Repayment and Funding Support Agreement entered into in May 2014, the Foundation of Hearts Limited paid the final equity instalment of £100k to Bidco (1874) Limited. This facilitated the transfer of 75.1% of the equity in Heart of Midlothian plc to the Foundation of Hearts Limited. At that date a Working Together Agreement, relating to the management of the relationship between the parties was signed by Heart of Midlothian plc and Foundation of Hearts Limited

The directors are of the opinion that Foundation of Hearts Limited is not the ultimate controlling party of Heart of Midlothian plc because, in substance, Foundation of Hearts Limited does not have control to govern the financial and operational policies of Heart of Midlothian plc.

At the point of transfer of ownership, the senior loan of £2.4m was acquired by the Foundation of Hearts Limited.

On 31 August 2021 the £2.4m senior loan was waived by the Foundation of Hearts and reallocated to cost of investment.

#### Movements in fixed asset investments

	Investments other than loans £	Loans £	Total £
<b>Cost or valuation</b>			
At 1 July 2021	-	2,400,000	2,400,000
Additions	100,000	-	100,000
Transfer to investment	2,400,000	(2,400,000)	-
At 30 June 2022	<u>2,500,000</u>	<u>-</u>	<u>2,500,000</u>
<b>Carrying amount</b>			
At 30 June 2022	<u>2,500,000</u>	<u>-</u>	<u>2,500,000</u>
At 30 June 2021	<u>-</u>	<u>2,400,000</u>	<u>2,400,000</u>

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

Name of undertaking	Capital and Profit / (Loss) reserves £	£
Heart of Midlothian plc	24,114,000	1,749,000

# FOUNDATION OF HEARTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

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<b>7 Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Other debtors	405	497
	<u>          </u>	<u>          </u>
<b>8 Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	-	1,136
Other creditors	6,336	4,008
	<u>          </u>	<u>          </u>
	<u>6,336</u>	<u>5,144</u>

### 9 Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

### 10 Related party transactions

D A R Bruce is a director of both Foundation of Hearts Limited and Shaw Marketing and Design Limited. During the year the company paid costs totalling £5,779 (2021: £5,197) to Shaw Marketing and Design Limited for the website hosting, email management and marketing, with £0 (2021: £1,136) outstanding at year end.

Heart of Midlothian Plc is a company in which D Cumming was a director during the year with G Mallon joining the board on the 1 June 2022 and S Wallace leaving the board at that point. The Foundation legally acquired the senior debt from Bidco (1874) Limited during the year, following payment of the final £100,000 to Bidco (1874) Limited for the acquisition of the 75.1% shareholding in Heart of Midlothian plc.

Additionally, the Foundation provided a further £1,525,000 (2021: £1,666,000) of funding directly to Heart of Midlothian plc.

**FOUNDATION OF HEARTS LIMITED**  
**MANAGEMENT INFORMATION**  
**FOR THE YEAR ENDED 30 JUNE 2022**

# FOUNDATION OF HEARTS LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2022

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		2022		2021
	£	£	£	£
<b>Turnover</b>				
Donations received		1,699,728		1,691,196
Other income		200		800
		<u>1,699,928</u>		<u>1,691,996</u>
<b>Administrative expenses</b>				
Directors or members insurance against liability	1,987		2,957	
Computer running costs	10,715		8,071	
Legal and professional fees	10,200		4,834	
Accountancy	7,178		3,456	
Bank charges	29,086		21,663	
Printing and stationery	-		726	
Advertising	350		699	
Sundry expenses	11,130		704	
		<u>(70,646)</u>		<u>(43,110)</u>
<b>Exceptional items</b>	(1,525,000)		(1,666,000)	
		<u>(1,525,000)</u>		<u>(1,666,000)</u>
<b>Operating profit/(loss)</b>		<u>104,282</u>		<u>(17,114)</u>

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