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The
People's
Club

Directors and Advisors

Directors

W Kenwright CBE (Chairman)
P R Gregg
J V Woods
K Wyness

Chief Executive

K Wyness

Company Secretary

M Cheston

Registered Office

Goodison Park
Liverpool, L4 4EL

Auditors

Deloitte & Touche LLP
Liverpool

Bankers

Barclays Bank plc
Liverpool

Registrars

Independent Registrars Group Ltd
Balfour House
390-398 High Road
Ilford
Essex, IG1 1NQ



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Notice of the A G M



Notice is hereby given that the one hundred and twenty fifth Annual General Meeting of The Everton Football Club Company Limited (The Company) will be held in the Alex Young Lounge, Goodison Park, Liverpool, L4 4EL on the 7th December 2004 at 7pm for the purpose of considering the following ordinary business.

1. To receive the Directors' Report and Financial Statements for the year ended 31st May 2004.
2. To re-appoint Deloitte & Touche LLP as Auditors to the Company and to authorise the Directors to fix their remuneration.
3. To re-elect Director - in accordance with the provisions of article 18.2, W. Kenwright CBE retires by rotation and being eligible offers himself for re-election. A nomination has also been received on behalf of Professor T. Cannon.
4. To elect Director - K. Wyness, having been co-opted to the board on the 13th September 2004, be re-appointed to the board.
5. To transact any other business which may be transacted at the Annual General Meeting of the Company.

By order of the Board

M CHESTON
Company Secretary
Goodison Park
Liverpool L4 4EL
Date: 5th November 2004

NOTES

A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend, and on a poll, to vote in his/her place. A proxy need not be a member of the Company.

To be valid, a duly executed instrument of proxy must be lodged at the Registered Office of the Company at least 48 hours before the time appointed for holding the meeting.

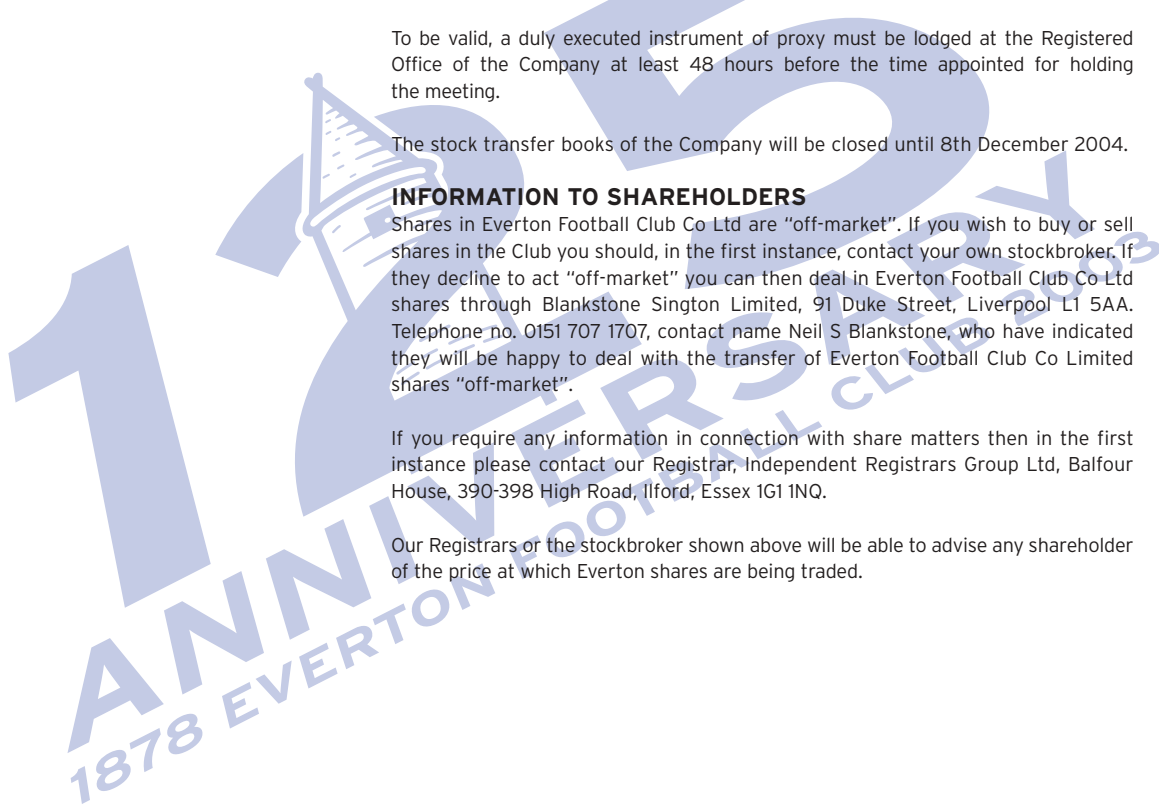
The stock transfer books of the Company will be closed until 8th December 2004.

INFORMATION TO SHAREHOLDERS

Shares in Everton Football Club Co Ltd are "off-market". If you wish to buy or sell shares in the Club you should, in the first instance, contact your own stockbroker. If they decline to act "off-market" you can then deal in Everton Football Club Co Ltd shares through Blankstone Sington Limited, 91 Duke Street, Liverpool L1 5AA. Telephone no. 0151 707 1707, contact name Neil S Blankstone, who have indicated they will be happy to deal with the transfer of Everton Football Club Co Limited shares "off-market".

If you require any information in connection with share matters then in the first instance please contact our Registrar, Independent Registrars Group Ltd, Balfour House, 390-398 High Road, Ilford, Essex IG1 1NQ.

Our Registrars or the stockbroker shown above will be able to advise any shareholder of the price at which Everton shares are being traded.



Chairman's Statement



It would be remiss of me to open any analysis of the year just passed without underscoring the sense of honour I feel at being installed as our great Club's Chairman. For a lad in the boys' pen whose only real ambition was to share the exalted position of standing next to his cousin in the ground, it is an extraordinary feeling, and I can only promise you that I'll continue to give everything I can to do my bit to help restore Everton Football Club to its rightful place at the vanguard of first English and then European football.

Although I never actively sought high office inside Goodison Park, I was even prouder to succeed Sir Philip Carter - a giant of a figure in footballing terms, an Evertonian to the core, and, from a personal perspective, a very hard act to follow!

Sir Philip of course remains at the Club as our Life President, and I'm happy to say that alongside him, as Vice-President, is Keith Tamlin, who also served the Club wonderfully in his decades as a Director.

Like everyone else connected with the Club, I was happy to see the back of the last campaign. After finishing at 7th place the previous season expectation levels were obviously high - and our final League placing at 17th, just above the three relegation berths, was, to say the very least, hugely disappointing. However, I believe I know the make up of our manager, David Moyes, as well as most at the Club, and I've always thought that if anyone can draw inspiration from adversity, then it would be him. He has, and he will continue to do so. That is the measure of the man that I have worked alongside for the last two seasons. I know that I don't have to tell you how fortunate we are to have a manager like David - focused, dedicated, loyal and utterly professional. He deserves all the success he will obviously achieve in his chosen profession and he enjoys the total unswerving support of the Club's Board of Directors.

I have always believed that everyone at a football club must accept a measure of the blame when things go wrong, so I hereby offer my personal apologies for whatever shortcomings of my own that might have added to our unproductive season. I question myself daily, as I believe should anyone in a responsible position, and can only once again pledge to you my commitment to turning things round.

As ever, the playing staff was subjected to much change. We welcomed Nigel Martyn, Kevin Kilbane and James McFadden during the last campaign and Marcus Bent and Tim Cahill at the start of the summer. Amongst those who left the Club were Mark Pembroke, David Unsworth, Scott Gemmill, Paul Gerrard, Steve Simonsen, Niclas Alexandersson, and more recently Tobias Linderoth, Tomasz Radzinski and Wayne Rooney. They moved on with our grateful thanks and our best wishes.

The level of support enjoyed by our great Club never surprises, but constantly thrills me. Our average League attendance last season was 38,837, a truly magnificent figure built upon the bedrock of record season ticket sales of 28,000.

On behalf of you all, may I also express my appreciation to our matchday staff and to members of the various emergency services who continue to ensure the safety and comfort of all those who visit Goodison Park.

Our thanks go out to each and every member of the Everton staff - be they full-time or part-time - who performed their respective duties with enthusiasm and diligence throughout what was, at times, a difficult year.

May I also place on record my grateful thanks to the Club's bankers, Barclays plc, and to our various sponsors, all of whom have provided professional support throughout the year.

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Chairman's Statement cont



Much has happened since the end of the last financial year in May and it would, I feel, be wrong of me not to make mention of several significant and relevant events.

In early June, our Chief Executive Officer ("CEO"), Michael Dunford, left the Club after almost a decade of dedicated and laudable service. Michael's enthusiasm both for his daily duties and for Everton Football Club never once wavered and I feel certain you will join with me in wishing him every success in the future.

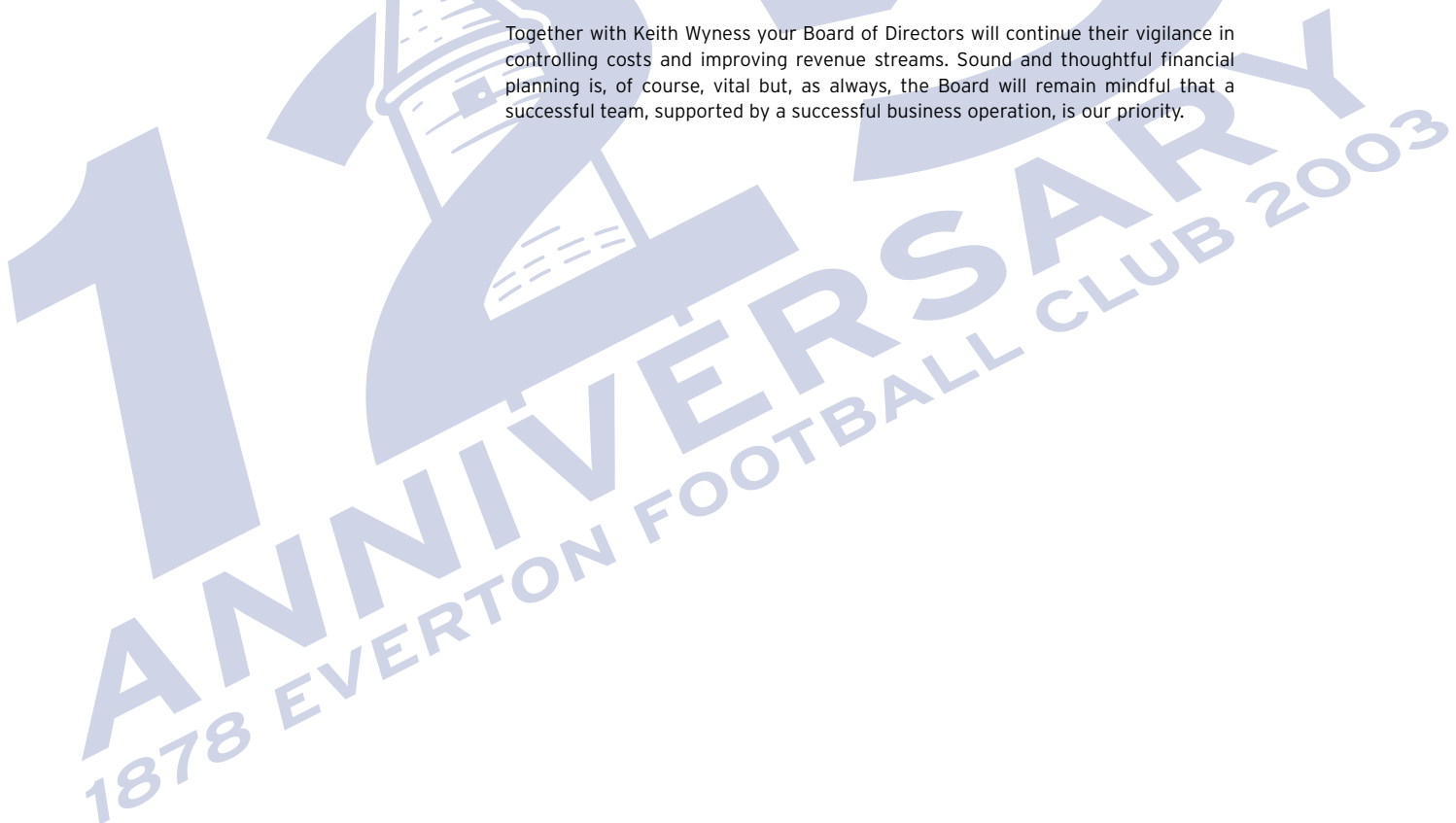
A turbulent summer of much change and much debate ended with the appointment of Keith Wyness as CEO. A highly respected figure in Scottish football where he had helped transform the fortunes of Aberdeen, Keith moved south to accept the challenge of overseeing our long-anticipated renaissance; we all wish him well.

Having watched his growth through our junior ranks, to his magnificent performances during the Euro 2004 Championships, it was with the heaviest of hearts that I was forced to oversee the sale of Wayne Rooney to Manchester United.

No one wanted Wayne to go, but once it became clear that Wayne himself was desperate to leave Everton, David and myself had no option but to accept the inevitable and then fight tooth and nail for the very best deal we could get. This I believe we did.

I know that our recently departed Chairman would like to thank his fellow directors and the Club's heads of department for their support during what proved to be a complex, challenging and difficult year.

Together with Keith Wyness your Board of Directors will continue their vigilance in controlling costs and improving revenue streams. Sound and thoughtful financial planning is, of course, vital but, as always, the Board will remain mindful that a successful team, supported by a successful business operation, is our priority.



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Financial Review

Turnover this year has fallen by 5% to £44.3m (2003 : £46.8m), a disappointing result since this bucks the previous trend of consistent year on year growth. This is largely due to the fall in broadcasting income received in the period of £4.4m, in turn due to the final league placing of 17th (compared to 7th in the 02/03 season) and a reduction in the number of live television appearances. However, this reduction has, in part, been compensated by the fact that all the other categories of turnover actually showed an improvement in the year, as can be seen by reference to note 2 of the accounts.

The reduced overall turnover, combined with the higher wage costs incurred by the Club (more of which below), are the main reasons why the Club has recorded an operating loss, excluding player trading, for the year of £2.7m, compared to an operating profit, excluding player trading and exceptional items, of £5.6m for the previous year.

We also recorded a profit on disposal of players' registrations of £1.6m in the year, mainly due to amounts receivable arising from certain clauses in player sale agreements from earlier years, such as appearance-related fees and profit due to the Club on the subsequent onward sale of a player.

After taking into consideration the amortisation of players' registrations of £11.3m for the year (2003 : £14.2m), and the annual interest charge of £3.1m (2003 : £2.9m) incurred principally to cover the cost of servicing the securitisation debt, as well as other operating income and interest receivable, the accounts show a pre-tax loss for the year of £15.3m, as against £13.0m in 2003.

The total wage bill for the year has risen by 11.8% to £33.2m (2003 : £29.7m). This, together with the reduction in turnover referred to earlier, has meant that the wage cost to turnover ratio has risen from 63.6% in 2003 to 74.9%. Whilst this does give cause for concern, it should also be pointed out that wages represent the highest item of expenditure at the Club, and it is always an area that is subject to close scrutiny and control. It is clearly imperative that the Club is competitive in the market for players and the Club must always support the manager, David Moyes, wherever possible within its available resources.

The pre-tax loss for the year has in turn meant that the balance sheet deficit has worsened, recorded as £23.1m at the year-end (2003 : £7.7m). Debts have increased to £42m, but, to put this figure into context, over £11m of this has already been repaid since the year-end, and £26m of the remaining balance is not due for repayment for over five years. Despite this, the Club, as ever, is mindful of the need to reduce this debt wherever possible and every attempt will be made to do so.



Cash outflow from operating activities was £1.5m. After payments for interest and net capital expenditure the cash outflow was £11.7m. After financing of £7.6m the decrease in cash for the year was £4.1m.

The sale of Wayne Rooney, in August 2004 (see note 27 for details) has significantly improved the balance sheet position since the year-end. The directors continue to work to improve the finances of the Club, by identifying new and improved sources of revenue, continuing to strictly monitor expenditure levels as well as exploring opportunities for external investors to inject funds into the Club.

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Youth Academy



If a football club is, indeed, only as strong and resilient as the foundation stones upon which it is constructed, we remain indebted to those who continue to work tirelessly - and quite often without widespread recognition - inside the Youth Development Programme.

The Board of Directors has always maintained its total and unswerving support for the Youth Academy and that is a heartfelt commitment I am more than happy to re-emphasise again here.

After openly acknowledging that our current facilities do not compare favourably with those of many of our contemporaries, we set in motion a chain of events which we do still confidently anticipate will yield a world-class facility wholly fitting of a club of our stature and heritage.

Sadly, the transformation of drawing-board plans into bricks-and-mortar reality has been protracted, a process which was always going to prove to be lengthy and arduous having been slowed down by anticipated, if unwelcome, red tape.

But, I feel it is important to stress once again that our determination to create an enviable facility, which will serve successive generations of aspiring Everton footballers, remains as strong as ever.

Having invested a considerable amount of time, money and effort in what is, without any question, a most worthy project, we are all determined that only the very best will now suffice.

You may well recall that the anticipated completion date for the new Academy in Halewood was to be in late 2005.

However, complications relating to the funding of our proposed move have thus far prevented any development on the new site - a regrettable scenario but one that has resulted in a delay rather than abandonment.

We remain cautiously optimistic that our new complex will be given the "green light" early next year clearing the way for a completion date in the early part of 2007.

Over the past 12 months, our Academy has unquestionably further embroidered what is a richly-deserved reputation as one of the country's major developers of young talent.

Ray Hall and his dedicated team of professionals deserve the most fulsome praise for their efforts and, in common with those who work in the Club's Football in the Community section, the fact that they work away from the "spotlight" should in no way devalue their achievements.

I must pay tribute to the Club's former director and now Deputy Life President Keith Tamlin and his wife, Marian, whose enthusiasm for helping and encouraging our youth trainees has never shown any signs of wavering.

The Academy's aim of providing at least one new player per season for the first team was again achieved with gifted midfielder Leon Osman making his mark at senior level after a highly-successful loan spell at Derby County.

It is, perhaps, worth noting that since the advent of the Academy programme six years ago no fewer than 16 youngsters have graduated to first-team football, amongst them England internationals Wayne Rooney, Michael Ball and Francis Jeffers.

Our Under-17 side reached the National Final where they finished as runners-up to a particularly strong Aston Villa whilst the Under 19s finished in fifth place in the North-west section.

The season's biggest disappointment came with the early - and perhaps unexpected - exit from the prestigious FA Youth Cup at the hands of Coventry City.

Our Academy is now regarded as a frontrunner in many differing areas of youth development including the talent identification of six to eleven year olds, the running of preparation groups for six to eight year olds, the video analysis for tactical and technical development of youngsters of all ages and the comprehensive in-service staff training programme.

As ever, during the course of a very busy year we, as a Club, asked much of our Youth Academy. As ever, they delivered.

COMMUNICATIONS

It is a reflection, a measure, of our stature within English football that despite a hugely disappointing season, the demands on the Club's Communications and Public Relations Department were as great as ever.

A policy which is based around the virtues of being proactive rather than reactive - seeking out potential avenues of national and international publicity as opposed to simply responding to the traditional requests for help and assistance - again yielded handsome rewards in the form of literally hundreds of high-profile pieces with both the written and the broadcast media.

The official matchday programme continues to win plaudits for both its content and its design - editor Darren Griffiths and designer Frank Tobin deserve high praise for their tireless endeavours.

The official Club website has come to represent a genuine success story in the wake of its major re-launch 12 months ago and a subsequent remodelling in June 2004; the number of "unique" visitors rose from 210,000 to 350,000 in the six months from 1st January 2004 to 30th June 2004.

A Mandarin version of the website has now been launched to cater for the army of Far East supporters drawn to the Club by the sponsorship link-up with Kejian and a Thai version - prompted by the recent deal with Chang Breweries - is now under construction.

Under the expert stewardship of Communications Manager Mark Rowan, the website was recently nominated in the prestigious Daily Telegraph Business Website of the Year category.

The Evertonian magazine underwent more fundamental changes and, despite a turbulent 12 months for the Club, sales have been sustained. There is, however, much more to our Communications section than simply acting as a conduit between media and Club.

The Department played an active role in the successful launch of the Club's new home kit, was key to the production of a series of DVDs for retail and membership schemes and was heavily involved in the production of the Club's official Christmas annual.

At a point in time when the elevation of image has never been more important and when protecting our Club's proud reputation is of paramount importance, I am delighted to place on record my thanks to Ian Ross and his team for their dedication and diligence.

MARKETING

Turnover, for each of the categories of gate receipts and programme sales, sponsorship and advertising, merchandising and other commercial activities, has shown an increase on the results for the previous year, with the combined results yielding an 8.9% annual improvement overall (as set out in note 2 of the accounts).

The most significant growth area was in affinity products - everyday services and products sold to the Club's supporter-base, which generates an income for the Club every time a supporter purchases the product. In addition, the opening of the Blue Brasserie has proved to be extremely successful by adding much-needed additional corporate hospitality facilities.



The year has also seen the launch of Cblue, our corporate supporters' club, and this should, hopefully, provide a platform for future sponsorship growth.

We enter the new 2004/05 season with our two new main partners, Chang and JJB/Umbro, and look forward to working together in a relationship that brings good value to the partners, the Club and our supporters. The Club is also undergoing a thorough review of all its marketing and commercial activities, with a view to improving the quality, range and delivery of its products and services to supporters. This will involve listening to, and acting on, feedback from our supporters in order to identify areas for improvement, as well as sourcing business partners with whom we can enjoy a mutually beneficial alliance, for the Club and its fans.

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Football in the Community

It has been a year of significant change for our Football in the Community department, a period of transition that has arguably served to re-emphasise the widely held belief that professionalism is the bedrock upon which they have constructed an enviable business.

An application for charitable status was approved in September 2003; a most welcome development that means the department must now act transparently as a quite separate business proposition, and as such, strictly comply with all Charity Commission regulations.

Their business plan has been developed independently of Everton Football Club's internal organisational restructuring but, through productive ongoing communication, Everton Football in the Community can happily complement a number of the objectives held within the Club's long-term strategy.

Everton Football in the Community boasts its own "charitable" brand identity which is, of course, based on that of the Club itself, so permitting usage of all identifiable crests and logos.

A Board of Trustees has been named and we are extremely confident that we have now researched, isolated and put in place all the key measures which will move Everton Football in the Community to the forefront of community sporting provision both nationally and internationally.

In what has been another busy and hugely productive year there have been many notable events, many targets achieved.

After finishing in first place in the regional finals of the Business in the Community Big Tick Awards, we went on to compete in the national finals, finishing a highly creditable second behind BSKyB at a lavish ceremony in London attended by HRH Prince Charles.

Once again our contribution to the much-lauded Football Aid was most impressive - more than £30,000 being raised by an event that, whilst it owed much to the contributions of former Everton heroes such as Howard Kendall, Graeme Sharp and Dave Watson, was orchestrated by our own Dave Connor.

We are still receiving congratulatory letters in the wake of the historic 1985 reunion dinner which was held at Liverpool's Crownne Plaza Hotel - a marvellous, heart-warming trip down memory lane inspired and organised by Football in the Community.

A vibrant, new relationship with the Thailand Football Association was developed after Ted Sutton, James Porter and Joe Doyle were invited to the Far East by Chang to deliver a 12-day coaching programme to more than 500 players and coaches.

As a direct result of that trip, the head coach of the Thailand Under-19 national team asked if his players could participate in some additional, advanced coaching sessions with our staff - Football in the Community is currently negotiating a return to Thailand in a £50,000 sponsorship programme.



After the successful delivery of the Football in the Community 2002/2003 Social Inclusion Programme a more ambitious, more expansive blueprint has been laid in place in conjunction with Weston Spirit. Course candidates will not only experience social and personal development, team skills and health and fitness awareness but in the coming year will have the opportunity to acquire coaching awards and academic qualifications to help with their progression back into education or employment.

The Schools Development Programme continues to represent a fundamental part of the department's annual work with more than 50,000 primary and secondary schoolchildren enjoying the benefits of free coaching offered as part of the Club's continued efforts to provide opportunity for all.

Once again the Everton Inter-Schools Cup proved to be an obvious highlight with more than 250 schools taking part in an event that now features prominently on the education calendar.

As always, the department continued to deliver popular and successful "Soccer Camps" across Merseyside - again it was a case of demand for places outstripping supply.

The Club's presence in Ireland continued to grow with soccer camps in Dublin and Colga attracting a total of more than 200 children. Ted and his most able colleagues are to be congratulated on another year of innovation, productivity and dedication.



Directors' Report

The directors present their report and the financial statements of the Group and Company for the year ended 31st May 2004.

Principal Activity

The principal activity of the Group continues to be that of a professional football club. The Group has continued to develop the Everton brand and associated media rights.

Review of Business

The results of the year's trading are shown on page 13 of the financial statements. A review of the Company's business and future developments is set out in the Chairman's Report and Financial Review on pages 5 to 7.

Dividend and Transfers from Reserves

The loss for the year amounted to £15.4m (2003 - £13.0m) which has been withdrawn from reserves.

The directors do not recommend the payment of a dividend (2003 - nil).

Post Balance Sheet Events

A description of the material aspects of these events can be found in note 27 to the accounts.

Directors

The directors in office during the year and their beneficial interests in the share capital of the Company at the end of the financial year, and of the previous financial year, were as follows:

	Number of Shares	
	31st May 04	31st May 03
Sir Philip Carter CBE (resigned 01/06/04)	721	721
W Kenwright CBE	556	556
K M Tamlin (resigned 01/06/04)	119	119
A J L Abercromby (resigned 14/07/04)	105	105
P R Gregg	0	0
J V Woods	216	216
K Wyness (appointed 13/09/04)	0	0

W Kenwright CBE, P R Gregg and J V Woods are also directors of True Blue Holdings Limited, a company which holds 24,986 shares in Everton Football Club. Details of the directors' individual shareholdings in True Blue Holdings Limited can be found in their accounts.

In accordance with the Articles of Association, Mr W Kenwright CBE retires by rotation and being eligible offers himself for re-election. A nomination has also been received on behalf of Professor T. Cannon.

Directors' Responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;



- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and of the Group and to prevent and detect fraud and other irregularities.

Employment Policies

The Group's employment policies are designed to retain and motivate staff at all levels. Staff are, within the bounds of commercial confidentiality, kept informed of matters that affect the current performance and future prospects of the Group and are of interest to them as employees.

The Group operates an equal opportunities policy to ensure that no member of staff or job applicant receives less favourable treatment on the grounds of gender, race, ethnic origin, age or disability.

Every possible step will be taken to ensure that individuals are treated equally and fairly and that decisions on recruitment, selection, training, promotion and career management are based solely on objective and job-related criteria.

When recruiting and retaining disabled employees, the Group will be guided by the principles and duties set out in the Disability Discrimination Act and its associated Codes of Practice.

Auditors

A resolution to re-appoint Deloitte & Touche LLP as auditors of the Company and to authorise the directors to agree the terms of their remuneration will be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 5th November 2004 and signed on its behalf by

M Cheston, Company Secretary

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Independent Auditors' Report to the Members of Everton Football Club Company Limited

We have audited the financial statements of Everton Football Club Company Limited for the year ended 31st May 2004 which comprise the consolidated profit and loss account, the balance sheets, the consolidated cash flow statement, the statement of total recognised gains and losses, the statement of historical costs, profit and losses and the related notes 1 to 29. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the Company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company and other members of the group is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31st May 2004 and of the loss of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Liverpool

5th November 2004

**Consolidated Profit
and Loss Account**
for the year ended 31st May 2004

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	Notes	2004			2003
		Operations excluding player trading	Player trading	Total	Total
		£000	£000	£000	£000
Turnover	1,2	44,302	-	44,302	46,781
Cost of sales	3	(36,908)	(11,343)	(48,251)	(46,776)
Gross Profit/(Loss)		7,394	(11,343)	(3,949)	5
Other operating income	4	370	-	370	161
Other operating costs	5	(10,422)	-	(10,422)	(9,371)
Operating Loss	6	(2,658)	(11,343)	(14,001)	(9,205)
Profit/(Loss) on disposal of players' registrations	-	-	1,592	1,592	(269)
Loss on disposal of tangible fixed assets	-	-	-	-	(882)
Loss before interest and taxation		(2,658)	(9,751)	(12,409)	(10,356)
Interest receivable and similar income	7			157	283
Interest payable and similar charges	8			(3,124)	(2,907)
Loss on ordinary activities before taxation				(15,376)	(12,980)
Tax on loss on ordinary activities	10			-	-
Loss after taxation for the year transferred from reserves	22			(15,376)	(12,980)

All the above amounts derive from continuing operations.

There are no recognised gains and losses for the year ended 31st May 2004 and the prior year other than as stated in the profit and loss account, accordingly no statement of total recognised gains and losses is given.

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Historical Cost Profits and Losses

	2004 £000	2003 £000
Loss on ordinary activities before taxation	(15,376)	(12,980)
Difference between the historical cost depreciation charge and actual depreciation charge for the year calculated on the revalued amount	250	260
Historical cost Loss on ordinary activities before taxation	(15,126)	(12,720)
Historical cost Loss for the year retained after taxation	(15,126)	(12,720)

Group Balance Sheet
At 31st May 2004

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	Notes	2004		2003	
		£000	£000	£000	£000
Fixed Assets					
Intangible Assets	12		17,788		25,147
Tangible Assets	13		13,281		13,733
Investments	14		-		-
			31,069		38,880
Current Assets					
Stocks	16	403		622	
Debtors	17	3,641		6,220	
Cash at bank and in hand		3,641		5,511	
		7,685		12,353	
Creditors - Amounts falling due within one year	18	(29,873)		(23,829)	
Net Current Liabilities			(22,188)		(11,476)
Total Assets Less Current Liabilities			8,881		27,404
Creditors - Amounts falling due after more than one year	19		(30,336)		(33,217)
Provision for liabilities and charges	20		(1,620)		(1,886)
Net Liabilities			(23,075)		(7,699)
Capital and Reserves					
Called up share capital	21		35		35
Share premium account	22		24,968		24,968
Revaluation reserve	22		3,137		3,137
Profit and loss account – deficit	22		(51,215)		(35,839)
Equity shareholders' deficit	23		(23,075)		(7,699)

The financial statements were approved by the Board on the 5th November 2004 and signed on its behalf by

W Kenwright CBE & K Wyness
Directors

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Company Balance Sheet At 31st May 2004

	Notes	2004		2003	
		£000	£000	£000	£000
Fixed Assets					
Intangible Assets	12		17,788		25,147
Tangible Assets	13		5,093		4,620
Investments	14		-		-
			22,881		29,767
Current Assets					
Stocks	16	403		622	
Debtors	17	10,916		8,103	
Cash at bank and in hand		1,121		61	
		12,440		8,786	
Creditors - Amounts falling due within one year	18	(54,934)		(39,469)	
Net Current Liabilities			(42,494)		(30,683)
Total Assets Less Current Liabilities			(19,613)		(916)
Creditors - Amounts falling due after more than one year	19		(308)		(3,365)
Provision for liabilities and charges	20		(1,620)		(1,886)
Net Liabilities			(21,541)		(6,167)
Capital and Reserves					
Called up share capital	21		35		35
Share premium account	22		24,968		24,968
Revaluation reserve	22		1,253		1,253
Profit and loss account – deficit	22		(47,797)		(32,423)
Equity shareholders' deficit			(21,541)		(6,167)

The financial statements were approved by the Board on the 5th November 2004 and signed on its behalf by

W Kenwright CBE & K Wyness
Directors

**Consolidated
Cash Flow Statement**
For the year ended 31st May 2004

	Notes	2004		2003	
		£000	£000	£000	£000
Cash (outflow)/inflow from operating activities	24a		(1,451)		8,569
Returns on investment and servicing of finance					
Interest received		157		359	
Interest paid		(3,105)		(1,671)	
Finance lease interest		(10)		-	
Net cash outflow from returns on investments and servicing of finance			(2,958)		(1,312)
Taxation			-		-
Capital expenditure and financial investment					
Purchase of intangible fixed assets		(7,981)		(10,497)	
Purchase of tangible fixed assets		(1,130)		(963)	
Proceeds from the disposal of tangible fixed assets		-		-	
Proceeds from the disposal of intangible fixed assets		1,785		449	
Net cash outflow from capital expenditure and financial investment			(7,326)		(11,011)
Net cash outflow before financing			(11,735)		(3,754)
Financing					
Increase in borrowings		10,400		-	
Repayment of factored amounts		-		-	
Repayment of loans		(2,928)		(2,630)	
Capital element of hire purchase payments		175		(9)	
Net cash inflow/(outflow) from financing			7,647		(2,639)
Decrease in cash	24b		(4,088)		(6,393)

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Notes to the Accounts For the year ended 31st May 2004



1. ACCOUNTING POLICIES

The principle accounting policies are summarised below. They have all been applied consistently throughout the year and preceding year.

(i) Accounting Convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold properties, plant & equipment and in accordance with applicable United Kingdom accounting standards.

(ii) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the company and all its subsidiary undertakings. The results of subsidiary undertakings acquired or disposed of during the year are included in the consolidated profit and loss account from the date of their acquisition or up until the date of their disposal. Intra-group trading is eliminated on consolidation.

(iii) Turnover

Turnover is stated exclusive of value added tax, and match receipts are included net of percentage payments to visiting clubs, the F.A. Premier League, the Football Association and the Football League.

(iv) Tangible Fixed Assets and Depreciation

Depreciation is not provided on freehold land. On properties it is provided to write off the costs or revalued amounts less estimated residual value (based on prices prevailing at the date of acquisition or revaluation) in equal annual instalments over the estimated useful economic lives of the assets which are considered to be between 10 and 40 years.

No depreciation is provided on assets in the course of construction.

A change in depreciation methods from reducing balance to straight line was made during the year to ensure that, in the opinion of the directors, the carrying value of Fixed Assets is more appropriate than in previous years.

The new method is to depreciate certain classes of Fixed Assets on a straight line basis over three years for Vehicles and five years for Plant and Equipment. This has resulted in an extra £411,000 additional charge in depreciation during the year.

The Group has taken advantage of the transitional provisions of FRS 15 'Tangible fixed assets' and retained the book amounts of certain freehold properties which were revalued prior to implementation of that standard. The properties were last revalued at 31st May 1999 and the valuations have not subsequently been updated.

(v) Stocks

Stocks are valued at the lower of cost and net realisable value.

(vi) Grants

Grants of a capital nature are credited to deferred income and amortised to the profit and loss account on a systematic basis over the useful economic life of the asset to which they relate.

(vii) Taxation

a) Current Taxation

Current taxation, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or subsequently enacted by the balance sheet day.

b) Deferred Taxation

Deferred taxation is provided in full on timing differences that 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.

Notes to
the Accounts
For the year ended
31st May 2004

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(viii) Intangible Fixed Assets - Players' Registrations

The cost of players' registrations is capitalised and amortised over the period of the respective players' contracts in accordance with Financial Reporting Standard 10 (accounting for goodwill and intangible assets). The transfer fee levy refund received during the year is credited against additions to intangible assets.

(ix) Contingent Appearance Fees

Where the directors consider the likelihood of a player meeting future appearance criteria laid down in the transfer agreement of the player to be merely possible, not probable, provision for this cost is made (see note 20). If the likelihood of meeting these criteria is merely possible, then no provision is made but the potential obligations are disclosed as contingent liabilities (see note 25).

(x) Signing-on Fees and Loyalty Bonuses

Signing-on fees represent a normal part of the employment cost of the player and as such are charged to the profit and loss account in the period in which the payment is made, except in the circumstances of a player disposal. In that case any remaining signing-on fees due are allocated in full against profit or loss on disposal of players' registrations in the year in which the player disposal is made. Those instalments due in the future on continued service are not provided for but are noted as contingent liabilities (see note 25).

(xi) Investments

Investments held as fixed assets are stated at cost less any provision for impairment.

(xii) Lease rentals

Where the company enters into a lease which entails substantially taking all the risks and rewards of ownership of an asset the lease is treated as a finance lease. Assets acquired under finance leases are capitalised and depreciated over the shorter of their lease term or their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

(xiii) Foreign Currency Transactions

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

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Notes to the Accounts

For the year ended
31st May 2004

2. TURNOVER

	2004 £000	2003 £000
Gate receipts and programme sales	15,627	14,697
Broadcasting	20,764	25,165
Sponsorship and advertising	2,584	2,439
Merchandising	3,498	3,329
Other commercial activities	1,829	1,151
	44,302	46,781

3. COST OF SALES

	2004			2003
	Operations excluding player trading	Player trading items	Total	
	£000	£000	£000	£000
Professional costs	28,859	-	28,859	25,600
Other costs	4,696	-	4,696	3,986
Merchandising	3,353	-	3,353	2,914
Amortisation of players' registrations (note 12)	-	11,343	11,343	12,513
Impairment of players' registrations	-	-	-	1,763
	36,908	11,343	48,251	46,776

4. OTHER OPERATING INCOME

	2004 £000	2003 £000
Donations from development associations	369	159
Rents receivable	1	2
	370	161

5. OTHER OPERATING COSTS

Other operating costs included the following exceptional costs relating to the Company:		
Write-off of professional fees in relation to the King's Dock project	-	315
Pension provision for obligations arising from the deficit in the Football League Limited Pension and Life Assurance Scheme (see note 26)	-	189
	-	504

Notes to
the Accounts
For the year ended
31st May 2004

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6. OPERATING LOSS

The operating loss is stated after charging:

Depreciation – Property	
Depreciation – Other	
Operating lease rentals	
Motor Vehicles	
Office Equipment	
Auditor's remuneration	
For audit (including Company of £23,000 ; 2003 - £18,000)	
For other services	

2004 £000	2003 £000
838	678
1,201	513
100	108
23	14
32	25
40	68

7. INTEREST RECEIVABLE AND SIMILAR INCOME

Bank Interest Receivable

157	283
-----	-----

8. INTEREST PAID AND SIMILAR CHARGES

On bank overdrafts
On finance leases
On other loans

226	3
10	4
2,888	2,900
3,124	2,907

Included in interest on other loans is interest of £2,126,000
on loans not wholly payable in full within five years

9. PARTICULARS OF EMPLOYEES

The average weekly number of employees during the year was as follows:

Playing, training and management
Youth Academy
Football in the Community
Marketing and Media
Management and Administration
Maintenance, Security, Pitch and Ground Safety
Catering and Retail

Number	Number
74	69
28	22
12	10
23	19
51	48
29	22
52	39
269	229
710	777
979	1,006

Part-Time employees on matchdays

Aggregate payroll costs for the above employees were as follows:

0
Wages and salaries
Social security costs
Other pension costs

£000	£000
29,254	26,237
3,367	2,946
550	552
33,171	29,735

Directors remuneration

The directors received no emoluments from the Group during the year (2003 – nil).



Notes to
the Accounts
For the year ended
31st May 2004

10. TAXATION ON LOSS ON ORDINARY ACTIVITIES

a) Factors affecting tax charge for the current period

The tax assessed for the period is disproportionate to that resulting from applying the standard rate of corporation tax in the UK: 30% (2003: 30%).

	2004 £000	2003 £000
Loss on ordinary activities before tax	(15,376)	(12,980)
Tax on loss on ordinary activities at the standard rate	4,613	3,894
Expenses not deductible for tax purposes	(277)	(580)
Capital allowances in excess of depreciation	(221)	100
Movement of tax losses	(4,143)	(3,363)
Movement in short term timing differences	28	(33)
Other deferred tax movements	-	(18)
Current tax charge for period	-	-

b) Factors that may affect the future tax charge

A deferred tax asset of £15.6m (2003 : £11.2m) has not been recognised. The asset will be received when relevant profits are available against which the timing differences concerned will be offset.

11. COMPANY PROFIT AND LOSS ACCOUNT

The Company has taken advantage of Section 230 of the Companies Act 1985 and has not presented its own profit and loss account. The Company's losses for the year, and the previous year, were £15,375,591 and 2003 - £13,076,000.

12. INTANGIBLE FIXED ASSETS – GROUP AND COMPANY

	Total £000
Cost at 1st June 2003	57,972
Additions in year	4,313
Disposals in year	(4,246)
At 31st May 2004	58,039
Amortisation	
At 1st June 2003	32,825
Provided during the year	11,343
Eliminated on disposals	(3,917)
At 31st May 2004	40,251
Net Book Value	
At 31st May 2004	17,788
At 31st May 2003	25,147

The above amounts include no values in respect of 'homegrown' players.

Notes to
the Accounts
For the year ended
31st May 2004

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13. TANGIBLE FIXED ASSETS

Group	Properties £000	Assets under course of construction £000	Plant and equipment £000	Vehicles £000	Total £000
Cost or valuation at 1st June 2003	14,663	-	4,062	32	18,757
Additions in the year	381	627	504	77	1,589
Disposals in the year	-	-	-	(13)	(13)
At 31st May 2004	15,044	627	4,566	96	20,333
Depreciation					
At 1st June 2003	2,470	-	2,530	24	5,024
Provided during the year	838	-	1,170	31	2,039
On disposals	-	-	-	(11)	(11)
At 31st May 2004	3,308	-	3,700	44	7,052
Net book value					
At 31st May 2004	11,736	627	866	52	13,281
At 31st May 2003	12,193	-	1,532	8	13,733
Company					
Cost or valuation at 1st June 2003	3,563	-	4,062	32	7,657
Additions in the year	381	627	504	77	1,589
Disposals in the year	-	-	-	(13)	(13)
At 31st May 2004	3,944	627	4,566	96	9,233
Depreciation					
At 1st June 2003	483	-	2,530	24	3,037
Provided during the year	284	-	809	21	1,114
On disposals	-	-	-	(11)	(11)
At 31st May 2004	767	-	3,339	34	4,140
Net book value					
At 31st May 2004	3,177	627	1,227	62	5,093
At 31st May 2003	3,080	-	1,532	8	4,620

The Club's properties are freehold, with the exception of an immaterial amount of residential properties which are long leasehold.

The Club's premises at Goodison Park (including the Megastore), the training grounds at Bellefield and Netherton, the equipment and contents (but not including computer equipment or motor vehicles), together with the residential properties were revalued at £15,207,550 by John Foord & Company as at 31st May 1999.

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Notes to the Accounts For the year ended 31st May 2004

13. TANGIBLE FIXED ASSETS CONTINUED

The freehold buildings at Goodison Park (including the Megastore), together with the training grounds, were valued at depreciated replacement cost, and the land at open market value for its existing use.

The residential properties have been revalued at open market value basis with the benefit of full vacant possession or subject to and with the benefit of the various leases/agreements as appropriate.

The directors consider that the value of properties as at 31st May 2004 is not materially different to the valuation carried out as at 31st May 1999, based on existing use.

If the freehold properties had not been revalued regularly since 1983 they would have been included at the following amounts on the basis previously appertaining:

	2004 £000	2003 £000
Cost	11,083	10,702
Aggregate depreciation	(2,003)	(1,988)
Net book value	9,080	8,714

14. INVESTMENTS

Group

The Group has no fixed asset investments (2003 – none).

Company

Cost
At 1st June 2003 and 31st May 2004

Net Book Value
At 31st May 2004 and 31st May 2003

Subsidiary undertakings £	Total £
4	4
4	4

Details of the principal operating subsidiaries as at 31st May 2004, all registered in England and Wales, were as follows:

Name of Company	% Owned	Nature of business
Goodison Park Stadium Limited	100	Provision of football entertainment facilities
Everton Investments Limited	100	Issuer of loan notes

**Notes to
the Accounts**
For the year ended
31st May 2004

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15. LEASE COMMITMENTS

The Company has operating lease commitments to meet during the next year in respect of motor vehicle and office equipment leases, as follows:

Expiring within one year

Expiring between two and five years

2004 £000	2003 £000
25	14
146	190
171	204

16. STOCKS

Goods for resale

Maintenance stocks

2004 £000	2003 £000
393	612
10	10
403	622

17. DEBTORS

Trade debtors

Amounts owed by subsidiary companies

Other debtors

Prepayments and accrued income

	Group		Company	
	2004 £000	2003 £000	2004 £000	2003 £000
Trade debtors	1,247	3,486	1,247	3,486
Amounts owed by subsidiary companies	-	-	7,287	3,103
Other debtors	18	406	11	381
Prepayments and accrued income	2,376	2,328	2,371	1,133
	3,641	6,220	10,916	8,103

18. CREDITORS – Amounts falling due within one year

Bank overdraft (secured)

Other loans (see note 19)

Obligations under hire purchase agreements

Trade creditors

Amounts due to subsidiaries

Social security and other taxes

Other creditors

Accruals and deferred income

	Group		Company	
	2004 £000	2003 £000	2004 £000	2003 £000
Bank overdraft (secured)	5,173	2,955	5,173	2,955
Other loans (see note 19)	13,514	2,926	13,021	2,469
Obligations under hire purchase agreements	53	31	53	31
Trade creditors	4,559	8,903	4,559	8,903
Amounts due to subsidiaries	-	-	27,667	19,342
Social security and other taxes	1,852	4,544	1,588	4,544
Other creditors	419	38	86	28
Accruals and deferred income	4,303	4,432	2,787	1,197
	29,873	23,829	54,934	39,469

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Notes to the Accounts

For the year ended
31st May 2004

19. CREDITORS – Amounts falling due after more than one year

Other loans (see borrowings below)
Obligations under hire purchase agreements
Trade creditors
Accruals and deferred income

Group		Company	
2004 £000	2003 £000	2004 £000	2003 £000
28,074	31,075	-	2,536
158	5	158	5
-	293	-	293
2,104	1,844	150	531
30,336	33,217	308	3,365

BORROWINGS

Group	Bank overdraft		Other loans		Finance leases		Total	
	2004 £000	2003 £000	2004 £000	2003 £000	2004 £000	2003 £000	2004 £000	2003 £000
Analysis of borrowings								
Payable by instalments:								
Within one year	5,173	2,955	13,546	2,926	53	31	18,772	5,912
Between one and two years	-	-	531	3,147	52	5	583	3,152
Between two and five years	-	-	1,855	1,721	106	-	1,961	1,721
After more than five years	-	-	26,317	26,983	-	-	26,317	26,983
Prepaid finance costs	-	-	(661)	(776)	-	-	(661)	(776)
	5,173	2,955	41,588	34,001	211	36	46,972	36,992

Company	Bank overdraft		Other loans		Finance leases		Total	
	2004 £000	2003 £000	2004 £000	2003 £000	2004 £000	2003 £000	2004 £000	2003 £000
Analysis of borrowings								
Payable by instalments:								
Within one year	5,173	2,955	13,053	2,469	53	31	18,279	5,455
Between one and two years	-	-	-	2,653	52	5	52	2,658
Between two and five years	-	-	-	-	106	-	106	-
Prepaid finance costs	-	-	(32)	(117)	-	-	(32)	(117)
	5,173	2,955	13,021	5,005	211	36	18,405	7,996

Notes to
the Accounts
For the year ended
31st May 2004

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19. BORROWINGS CONTINUED

The bank overdraft is principally secured via legal charges over a number of the Company's properties and a lightweight floating charge over all the assets and undertakings (excluding Goodison Park Stadium) of the Company.

Other loans include £29,196,736 of loan notes (2003 - £29,654,010) which are repayable in annual instalments over a 25 year period at a fixed interest rate of 7.79%. The first payment under the agreement was made on 30th September 2002 amounting to £1,588,000 with subsequent annual payments of £2,767,000 (including interest) starting on 30th September 2003.

The notes will be repaid in a securitisation agreement serviced by future season ticket sales and matchday ticket sales. The costs incurred in raising the finance, amounting to £710,000, have been offset against the £30,000,000 loan, and are contained within prepaid finance costs and charged to the profit and loss in line with the interest charge over a period of 25 years.

20. PROVISION FOR LIABILITIES AND CHARGES

	Group and Company		
	Pensions (note 26)	Contingent appearance fees (note 1)	Total
	£000	£000	£000
At 1st June 2003	374	1,512	1,886
Utilised in the year	(94)	(434)	(528)
Provided in the year	-	262	262
At 31st May 2004	280	1,340	1,620

There are no amounts provided for deferred tax at 31st May 2004 or 31st May 2003.

21. EQUITY SHARE CAPITAL

	2004 £000	2003 £000
Authorised, allotted, issued and fully paid		
35,000 stock units of £1 each	35	35

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Notes to the Accounts For the year ended 31st May 2004

22. RESERVES

Group	Share premium account £000	Revaluation reserve £000	Profit and loss account £000
Balance at 1st June 2003	24,968	3,137	(35,839)
Loss for the year	-	-	(15,376)
Balance at 31st May 2004	24,968	3,137	(51,215)

Company

Balance at 1st June 2003	24,968	1,253	(32,423)
Loss for the year	-	-	(15,374)
Balance at 31st May 2004	24,968	1,253	(47,797)

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group	2004 £000	2003 £000
Loss for the year and net reduction in shareholders' funds	(15,376)	(12,980)
Opening shareholders' (deficit)/funds	(7,699)	5,281
Closing shareholders' deficit	(23,075)	(7,699)

24. CASH FLOW STATEMENT

(a) Reconciliation of operating loss to net cash (outflow)/inflow from operating activities

	2004 £000	2003 £000
Loss before interest and tax	(12,409)	(10,356)
Loss/(Profit) on disposal of players' registrations	(1,592)	269
Exceptional loss on sale of tangible fixed assets	-	882
Operating Loss	(14,001)	(9,205)
Depreciation charge	2,039	1,191
Release of grants	(107)	(197)
Amortisation of players' registrations	11,343	12,513
Impairment of players' registrations	-	2,053
Loss on disposal of fixed assets	2	-
Decrease/(increase) in stocks	219	(340)
Decrease/(increase) in debtors	2,256	(2,462)
(Decrease)/increase in provisions	(94)	101
(Decrease)/increase in creditors	(3,108)	4,915
Net cash (outflow)/inflow from operating activities	(1,451)	8,569

Notes to
the Accounts
For the year ended
31st May 2004

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24. CASH FLOW STATEMENT CONTINUED

(b) Analysis of changes in net debt

	As at 1st June 2003 £000	Cash flows £000	Non cash movements £000	As at 31st May 2004 £000
Cash at bank and in hand	5,511	(1,870)	-	3,641
Overdraft	(2,955)	(2,218)	-	(5,173)
	2,556	(4,088)	-	(1,532)
Debt due within one year	(2,926)	(10,588)	-	(13,514)
Debt due after one year	(31,075)	3,116	(115)	(28,074)
Hire purchase agreements	(36)	(175)	-	(211)
	(31,481)	(11,735)	(115)	(43,331)

(c) Reconciliation of movements in net debt

	2004 £000	2003 £000
Decrease in cash in the period	(4,088)	(6,393)
Cash (inflow)/outflow from decrease/increase in net debt	(7,472)	2,630
Cash (inflow)/outflow from increase/decrease in hire purchase financing	(175)	9
Change in net debt resulting from cash flows in the year	(11,735)	(3,754)
Non cash movements	(115)	(167)
Net debt as at 1st June	(31,481)	(27,560)
Net debt as at 31st May	(43,331)	(31,481)

25. CONTINGENT LIABILITIES

No provision is included in the accounts for transfer fees of £2,039,000 (2003: £2,819,000) which are, as at 31st May 2004, contingent upon future appearances of certain players; or signing-on fees and loyalty bonuses, as at 31st May 2004, of £1,355,775 (2003: £2,973,000) which would become due to certain players if they are still in the service of the Club on specific future dates.

26. PENSIONS

Certain staff of the Group are members of either the Football League Limited Players Retirement Income Scheme, a defined contribution scheme, or the Football League Limited Pension and Life Assurance Scheme ("FLLPLAS"), a defined benefit scheme. As the Group is one of a number of participating employers in the FLLPLAS, it is not possible to allocate any actuarial surplus or deficit on a meaningful basis and consequently contributions are expensed in the profit and loss account as they become payable. The assets of the scheme are held separately from those of the Group, being invested with insurance companies. At 1st April 2003 a further MFR deficit was identified in the scheme, which increased the outstanding deficit allocated to the group by £189,000 resulting in an increase in contributions advised by the Actuary. The additional deficit was provided in the year ended 31st May 2003.

Contributions are also paid into individuals private pension schemes. Total contributions across all schemes during the year amounted to £580,000 (2003: £552,000)

27. POST BALANCE SHEET EVENTS

Since 31st May 2004, the Club has entered into transfer agreements for confirmed contracted net transfer fees receivable of £20,771,000. An additional £7m receivable is contingent on Wayne Rooney's appearances for Manchester United and England as well as Manchester United's performance at domestic and European level within the contract period and the duration of his period of service with Manchester United.

28. FRS 8-RELATED PARTY TRANSACTIONS

There were no related party transactions in the year, other than those detailed in note 5. Related parties – Houston Securities is a company controlled by the Gregg family. Mr PR Gregg is a director of the company. During the year nil was paid to Houston Securities by Everton Football Club (October 2001 to May 2003 £664,000) in relation to the King's Dock project.

29. ULTIMATE PARENT UNDERTAKINGS

The ultimate parent undertaking of the Company is True Blue Holdings Limited, a company incorporated in England. Copies of its accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

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First Team Results Season 2003-2004

DATE	OPPONENT	V	RES	ATTENDANCE	PTS	POS
16/08/03	Arsenal	Away	1-2	38,014	-	-
23/08/03	Fulham	Home	3-1	37,604	3	8
26/08/03	Charlton Athletic	Away	2-2	26,336	4	8
30/08/03	Liverpool	Home	0-3	40,200	4	14
13/09/03	Newcastle United	Home	2-2	40,228	5	13
21/09/03	Middlesbrough	Away	0-1	28,113	5	15
24/09/03	Stockport Co. (CC2)	Home	3-0	19,807	-	-
28/09/03	Leeds United	Home	4-0	39,151	8	10
04/10/03	Tottenham Hotspur	Away	0-3	36,137	8	12
19/10/03	Southampton	Home	0-0	35,775	9	13
25/10/03	Aston Villa	Away	0-0	36,146	10	13
29/10/03	Charlton Athletic (CC3)	Home	1-0	24,863	-	-
01/11/03	Chelsea	Home	0-1	40,189	10	16
10/11/03	Blackburn Rovers	Away	1-2	22,179	10	18
22/11/03	Wolverhampton W	Home	2-0	40,190	13	14
29/11/03	Bolton Wanderers	Away	0-2	27,350	13	18
03/12/03	Middlesbrough (CC4)	Away	0-0	18,568	Lost 4-5 pens	-
07/12/03	Manchester City	Home	0-0	37,871	14	17
13/12/03	Portsmouth	Away	2-1	20,101	17	15
20/12/03	Leicester City	Home	3-2	37,007	20	11
26/12/03	Manchester United	Away	2-3	67,642	20	14
28/12/03	Birmingham City	Home	1-0	39,631	23	11
03/01/04	Norwich City (FAC3)	Home	3-1	29,955	-	-
07/01/04	Arsenal	Home	1-1	38,726	24	11
10/01/04	Fulham	Away	1-2	17,103	24	12
17/01/04	Charlton Athletic	Home	0-1	36,322	24	14
25/01/04	Fulham (FAC4)	Home	1-1	27,862	-	-
31/01/04	Liverpool	Away	0-0	44,056	25	14
04/02/04	Fulham (FAC4R)	Away	1-2	11,551	-	-
07/02/04	Manchester United	Home	3-4	40,190	25	15
11/02/04	Birmingham City	Away	0-3	29,004	25	15
21/02/04	Southampton	Away	3-3	31,875	26	16
28/02/04	Aston Villa	Home	2-0	39,353	29	14
13/03/04	Portsmouth	Home	1-0	40,105	32	14
20/03/04	Leicester City	Away	1-1	31,650	33	14
27/03/04	Middlesbrough	Home	1-1	38,210	34	13
03/04/04	Newcastle United	Away	2-4	52,155	34	14
09/04/04	Tottenham Hotspur	Home	3-1	38,086	37	12
13/04/04	Leeds United	Away	1-1	39,835	38	13
17/04/04	Chelsea	Away	0-0	41,169	39	13
24/04/04	Blackburn Rovers	Home	0-1	38,884	39	14
01/05/04	Wolverhampton W	Away	1-2	29,395	39	15
08/05/04	Bolton Wanderers	Home	1-2	40,190	39	16
15/05/04	Manchester City	Away	1-5	47,284	39	17

FAC = FA CUP CC = CARLING CUP

Barclaycard Premiership Final League Placings 2003-2004

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	HOME						AWAY						GI Diff	Pts
	P	W	D	L	F	A	W	D	L	F	A			
Arsenal	38	15	4	0	40	14	11	8	0	33	12	+47	90	
Chelsea	38	12	4	3	34	13	12	3	4	33	17	+37	79	
Manchester United	38	12	4	3	37	15	11	2	6	27	20	+29	75	
Liverpool	38	10	4	5	29	15	6	8	5	26	22	+18	60	
Newcastle United	38	11	5	3	33	14	2	12	5	19	26	+12	56	
Aston Villa	38	9	6	4	24	19	6	5	8	24	25	+4	56	
Charlton Athletic	38	7	6	6	29	29	7	5	7	22	22	0	53	
Bolton Wanderers	38	6	8	5	24	21	8	3	8	24	35	-8	53	
Fulham	38	9	4	6	29	21	5	6	8	23	25	+6	52	
Birmingham City	38	8	5	6	26	24	4	9	6	17	24	-5	50	
Middlesbrough	38	8	4	7	25	23	5	5	9	19	29	-8	48	
Southampton	38	8	6	5	24	17	4	5	10	20	28	-1	47	
Portsmouth	38	10	4	5	35	19	2	5	12	12	35	-7	45	
Tottenham Hotspur	38	9	4	6	33	27	4	2	13	14	30	-10	45	
Blackburn Rovers	38	5	4	10	25	31	7	4	8	26	28	-8	44	
Manchester City	38	5	9	5	31	24	4	5	10	24	30	+1	41	
Everton	38	8	5	6	27	20	1	7	11	18	37	-12	39	
Leicester City	38	3	10	6	19	28	3	5	11	29	37	-17	33	
Leeds United	38	5	7	7	25	31	3	2	14	15	48	-39	33	
Wolverhampton W	38	7	5	7	23	35	0	7	12	15	42	-39	33	

Barclays Premiership Fixtures 2004 - 2005

August

Sunday 15	H	Arsenal (2.00pm K.O. Live on BSkyB)
Saturday 21	A	Crystal Palace
Wednesday 25		Carling Cup 1
Saturday 28	H	West Bromwich Albion
Monday 30	A	Manchester United (12.00pm K.O.)

September

Saturday 11	A	Manchester City
Sunday 19	H	Middlesbrough (3.00pm K.O.)
Wednesday 22	A	Bristol City (Carling Cup 2)
Sunday 26	A	Portsmouth (4.05pm K.O. Live on BSkyB)

October

Saturday 2	H	Tottenham Hotspur
Saturday 16	H	Southampton
Saturday 23	A	Norwich City (12.45pm K.O. Live on PPV)
Wednesday 27	H	Preston North End (Carling Cup 3)
Saturday 30	H	Aston Villa

November

Saturday 6	A	Chelsea
Tuesday 9	A	Arsenal (Carling Cup 4)
Saturday 13	A	Birmingham City (5.15pm K.O. Live on PPV)
		F.A. Cup 1
Saturday 20	H	Fulham
Sunday 28	A	Newcastle United (2.00pm K.O. Live on BSkyB)

December

Wednesday 1		Carling Cup 5
Saturday 4	H	Bolton Wanderers
		F.A. Cup 2
Saturday 11	H	Liverpool (12.45pm K.O. Live on BSkyB)
Saturday 18	A	Blackburn Rovers
Sunday 26	H	Manchester City
Tuesday 28	A	Charlton Athletic

January

Saturday 1	A	Tottenham Hotspur
Monday 3	H	Portsmouth
Saturday 8		F.A. Cup 3
Wednesday 12		Carling Cup Semi-Final (1)
Sunday 16	A	Middlesbrough
Saturday 22	H	Charlton Athletic
Wednesday 26		Carling Cup Semi-Final (2)
Saturday 29		F.A. Cup 4

February

Wednesday 2	H	Norwich City
Saturday 5	A	Southampton
Saturday 12	H	Chelsea
Saturday 19		F.A. Cup 5
Saturday 26	A	Aston Villa
Sunday 27		Carling Cup Final

March

Saturday 5	H	Blackburn Rovers
Saturday 12		F.A. Cup 6
Saturday 19	A	Liverpool

April

Saturday 2	A	West Bromwich Albion
Sunday 10	H	Crystal Palace (3.00pm K.O.)
Saturday 16	A	Arsenal
		F.A. Cup Semi-Final
Wednesday 20	H	Manchester United
Saturday 23	H	Birmingham City
Saturday 30	A	Fulham

May

Saturday 7	H	Newcastle United
Saturday 14	A	Bolton Wanderers
Saturday 21		F.A. Cup Final

Honours List

First Division Champions

1890/91, 1914/15, 1927/28 1931/32, 1938/39,
1962/63, 1969/70, 1984/85, 1986/87

Runners-up

1889/90, 1894/95, 1901/02, 1904/05,
1908/09, 1911/12, 1985/86

Second Division Champions

1930/31

Runners-up

1953/54

FA Cup Winners

1906, 1933, 1966, 1984, 1995

Runners-up

1893, 1897, 1907, 1968, 1985, 1986, 1989

Football League Cup Runners-up

1976/77, 1983/84

FA Charity Shield Winners

1928, 1932, 1963, 1970, 1984, 1985,
1987, 1995, shared:1986

European Cup-Winners' Cup Holders

1984/85

FA Youth Cup Winners

1964/65, 1983/84, 1997/98

Runners-up

1960/61, 1976/77, 1982/83, 2001/02

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