CELTIC plc

PRELIMINARY RESULTS FOR THE YEAR ENDED 30 JUNE 2012

SUMMARY OF THE RESULTS

Operational and Financial Highlights

- Winners of the SPL
- Runners up in the League Cup.
- 4 home European matches (2011: 2).
- Group revenue £51.34m (2011: £52.56m).
- Investment in football personnel of £5.24m (2011: £10.29 m).
- Year-end net bank debt of £2.77m (2011: £0.53m).
- Loss before taxation of £7.37m (2011: £0.10m profit).
- Operating expenses before exceptional items £54.44m (2011: £52.50m).
- Loss from trading before asset transactions and exceptional items of £3.09m (2011: £56,000 profit).
- Exceptional costs of £0.54m (2011: £3.99m)

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Celtic plc

CHAIRMAN'S STATEMENT

Our primary objective for the financial year to 30 June 2012 was to win the Scottish Premier League title and provide a route to the Group Stages of the UEFA Champions League.

I am delighted to be in a position to report that this objective was fulfilled. Having recovered the SPL title in May, we then qualified for the Group Stages of the European Champions League after defeating Helsinki and Helsingborgs in the third qualifying round and play-offs. Our reward is participation in the highest echelons of European football for the first time since season 2008/09.

The financial benefits of achieving our goal are material, but they are not reflected in these annual results, full details of which are contained in the accompanying reviews and information. In summary, they show a slight decline in turnover to £51.34m, an increase in operating expenses of £1.93m and an overall loss in the period of £7.37m against a very slight profit the year before.

Our net bank debt position at the year-end rose as a consequence, but careful management of cash from various transactions meant that the increase in this measure of debt has been limited, rising from £0.53m in June 2011 to £2.77m in June 2012.

The key dynamic, not reported in these numbers, is the strategy employed by the Board in regard to the player pool. At the half year I reported that we had made and were continuing to make sizeable investments in new players, so as to strengthen the squad with a view to achieving our primary objective. At the same time, we consciously resisted opportunities to trade players for the sake of short term profit.

This considered approach has paid off. We are now in the position that we will enjoy enhanced revenues from European participation, where we will compete with the benefit of an exciting squad that has great potential. An integral part of our careful player pool strategy has been finding and developing young talent, both domestically and from abroad. The numbers of young players, especially from our Academy, meeting the standards necessary to break through to the senior squads has been extremely encouraging.

The success of that strategy this year and the strength in depth it has provided, has enabled us to realise some profit by selling on Ki Sung Yueng. The gain made from that sale, together with the earnings from the initial two UEFA qualifying rounds, have assisted our position over the summer, with the UCL Group Stage still to come. Our supporters and sponsors continue to back us through season tickets, multimedia products, merchandising and contract renewals.

Achieving the playing success we all seek, while managing the player pool and cost base sensibly throughout the year, requires considerable skill, foresight and fortitude. This is and always will be a team effort, for which Neil Lennon, his backroom team and players, Peter Lawwell, and all our staff should take credit.

The 2011/12 season brought unprecedented turmoil and pressures upon Scottish football, making an already difficult economic environment more difficult still. Celtic Football Club has navigated its way through all of this with the advantage of a stable and resilient financial platform and an intelligent business and football strategy.

But no matter what challenges we may have faced during the year, we cannot lose sight of those less fortunate than ourselves. During the year our colleagues in Celtic Charity Fund continued their efforts to help improve the lives of others. Among the many projects undertaken, the Legends match last August stands out. As a result of the efforts and generosity of all those concerned, over £330,000 was raised for Oxfam’s East Africa appeal, helping to alleviate deprivation and starvation in that part of the world. That evening was a great occasion, for an even greater cause and one worthy of this Club’s traditions.

In those activities, and in our other work throughout the year, our fans, shareholders, staff, sponsors and business partners have backed us. I thank you all for that support.

Ian P Bankier
Chairman
18 September 2012

Celtic plc

CHIEF EXECUTIVE'S REVIEW

INTRODUCTION

After the groundwork laid down in previous years, season 2011/12 represented further progress for us on the field. We won the Scottish Premier League title by a margin of 20 points, having overturned a significant deficit at one stage, and narrowly missed out at Hampden in the two domestic cup competitions.

The outcome for the financial year was heavily influenced by the deliberate decisions made earlier to retain a number of key players, with the objective of recovering the SPL title and enabling us to progress in Europe this summer. The Company's strategy adopted a number of years ago in investing in technical functions, recruitment, sports science, coaching, performance analysis and in the Academy is now bearing fruit. We now have a young, vibrant squad with significant value and potential – the Champions of Scotland and participants in the UEFA Champions League Group Stage 2012/13.

FOOTBALL INVESTMENT

The playing squad was further strengthened during the 2011/12 season, with considerable funds invested in the first team, and the retention of most of the Club's best players. A number of players were acquired, enhancing the blend of youth and experience in the squad, while a number of others progressed from the youth academy. The average age of the starting eleven was regularly in the low twenties and it is believed the value of the squad has been further enhanced. Our conscious decision not to accept offers in the January transfer window for a number of key players, in order to maximise our chances of succeeding in football competitions and participating at the highest European level has been vindicated in terms of football success, though it has also shaped the Company's results for the period to 30 June.

We have a large first team squad and the need to manage squad numbers sensibly remains. Nevertheless, the strength in depth we continue to possess has enabled us to cope with injuries at various times and means we are well- placed for the current season.

Wage and transfer fee inflation over a number of years means that the gap between Scotland and the major European footballing nations is impossible to bridge, thus the relative cost and challenge of attracting quality new players gets no easier. We remain committed to the strategy of careful and patient use of our financial resources, including the prudent management of debt, whilst continuing our efforts to strengthen the first team squad.

The investment in our Lennoxtown training facility and youth development infrastructure continue to yield benefits, helping to ensure that players are recruited and developed in an effective manner. Continued investment is planned to enhance the infrastructure that we already have.

We have also maintained our investment in the sports science and medical team to ensure the best possible medical and nutritional advice, and have continued to enhance the scouting operation and performance analysis functions during the year. Each of these plays an important part in our football success.

Our Youth Academy has benefited from the ongoing investment in quality coaches and use of the facilities and expertise available at Lennoxtown. Several members of our Development and U19 teams have stepped up to the senior squad and this policy will continue.

The development of younger players is an integral part of our longer term strategy to manage costs, although we will not shrink from investing in new talent to improve the squad if we believe that is needed and we have the resources available. The progress achieved in maintaining base football labour costs at an acceptable level is planned to continue in the coming season.

FINANCIAL PERFORMANCE

In the year to 30 June 2012 turnover was £51.34m which is slightly down on the £52.56m reported the previous year having played 24 home matches in both years. Much of this reduction is due to reduced pre-season and match ticket revenues.

Total operating expenses increased in comparison to the previous year by approximately £1.93m, 3.7% to £54.43m. This is largely as a result of an increase in labour, cost of sales, travel and accommodation costs together with additional costs from the dispute with FC Sion and various SFA/SPL matters.

£5.24m was invested in strengthening the first team squad, which resulted in an overall amortisation charge for intangible assets of £6.37m in comparison to £8.16m the previous year. In addition a gain on sale of £3.54m was realised following the sale of players in comparison to £13.23m the previous year. £0.54m exceptional costs were incurred in comparison to £3.99m last year.

As a result of the above, the Group achieved a retained loss for the year to 30 June 2012 of £7.37m which compares with the previous year's profit of £0.10m. Further information is contained within the Financial Director's Review.

FOOTBALL OPERATIONS

During season 2011/12 the Club played 54 competitive first team matches, winning 37, drawing 7 and losing 10.

Having progressed through the UEFA Champions League third qualifying round and play-off we will be participating in the Group Stage of the competition, facing Barcelona, Benfica and Spartak Moscow.

As with last season, there was no competitive Reserve Scottish Premier League, although a new Under-20 competition has been introduced

The Development squad was again in place, made up of mainly Under 19 players, whom the football management team deemed be the 'elite players' from the youth development programme.

The first team squad trained independently for the majority of the season, but there were many occasions when players from the Development squad stepped up to train with the first team. A specialized sports science programme for this squad ran alongside the first team programme and numerous 'behind closed doors' matches were arranged against quality opposition to give this group invaluable experience.

YOUTH ACADEMY

Season 2011/12 was one of the most successful in the history of Celtic's Youth Academy, with the Club now providing more than 30 international players for their respective national teams.

The Under 19s played 22 matches, winning 18 of them, with just 1 defeat. This lead to victory in the League, by eight points from Hearts, with a comfortable success in the SFA Youth Cup Final at Hampden at the end of April.

The Under 19 team was unfortunate not to progress in its first outing in European football in the NextGen series. Celtic's group consisted of Barcelona, Marseille and Manchester City where we finished with a very creditable 9 points and 3 wins. The Club will participate in this prestigious tournament again in Season 2012/13.

The stated aim continues to be to produce players who are capable of playing at the highest level in the UEFA Champions League. Last season more young players made the progression from the Academy to the first team, including Marcus Fraser, Paul George, Filip Twardzik, Dylan McGeouch and Tony Watt.

During season 2011/12 the Academy teams were split into 3 age groups: he 17s-19s Professional Academy; the 13s to 16s Intermediate Academy, and the 7s-12s Junior Academy.

From season 2012/13 the Professional Academy will encompass the Under-20s to accommodate participation in the new Scottish Premier League U23 competitive match programme.

The partnership between Celtic FC and St Ninian's High School has now completed its 3rd year and has gone from strength to strength, with our young players combining football and education. Season 2012/13 will see over 40 players attend St Ninian's from our Academy.

TICKET SALES

2011/12 was a successful season for Ticket Sales with over 42,500 standard season tickets sold with a value of more than £13.8million. Home match tickets sales of over 220,000 generated an income of over £4.5 million which included our Europa League Play Off and Group Stage matches.

Celtic plc

CHIEF EXECUTIVE'S REVIEW

CELTIC DEVELOPMENT

The Club's youth development programme continues to benefit significantly from the commitment and hard work of the staff, agents and customers of Celtic Pools. We are grateful for their continuing support. Over 2 million lottery chances were sold by them during the period from July 2011 to June 2012, with around £740,000 donated for the purposes of youth development. Supporters from all over the country won approximately £900,000 in prize money.

It is clear from this that the weekly Celtic Pool lottery continues to perform better than most football club and charitable lottery products in a challenging environment. The Paradise Windfall match day lottery also continues to be very popular, with prize money of over £2.75 million having been paid out to Celtic supporters at Celtic Park since the Windfall began in 1995. The top prize of £15,000 is the largest top cash prize in UK football.

CELTIC FOUNDATION

The Celtic Foundation continues to play a key role in the Club's social dimension and ethos, demonstrating its ability to deliver improvements whilst tackling the inequalities which exist in some of our most disadvantaged communities. Over the past twelve months the Foundation has been involved in more educational and community engagement programmes than at any time in its history. Over fifty projects have been undertaken in association with partners from public, private and third-sector organisations. The areas of greatest focus have been:

- Health and wellbeing
- Education
- Social inclusion
- Unemployment
- Sport for Life

The Foundation also runs a very successful Girls' Academy, as well as the Ladies' first team and reserve squads. The female football programme is now the most sought-after in Scotland, with thirty-five internationalists at girls' and senior levels. The Celtic Girls' Academy is widely lauded as the most successful in the UK.

The acknowledgements and endorsements from our partners are testament to the quality of the Club's social responsibility work. This year the European Club Association has awarded Celtic's "Ability Counts" the title of 'Best Community & Social Responsibility Programme 2011' for its work with young people with Down's Syndrome. We also recently won the People's Choice Heart and Soul Award at the Scottish Charity Awards 2012.

The progress made this year has been significant. The support of everyone at Celtic – dedicated staff, our partners and our client groups – will be valued by participants for years to come. Our aim is to reach out into the heart of the community and make a positive difference to individuals, families and communities.

MERCHANDISING

Merchandising revenue for the year reached £13.3.m, this was down 6.9% on the previous year mainly due to fewer kit launches in the period (two in 2011/12, compared to three in 2010/11). However like- for- like retail store sales were 5% up on the previous year.

A range of commemorative products will be launched to tie in with the Club's 125th anniversary, supplementing the kit launches in the early summer and one that will take place during the Autumn.

As part of a rationalisation plan, the Edinburgh store was closed in January of this year at a break-point in the lease. The Glasgow Airport store has been relocated to a new landside location and continues to perform well.

MULTI MEDIA

Celtic TV has gone from strength to strength in the past year. It is now available multi-platform and also provides a high-end, dedicated stream for supporters in North American supporter clubs.

The Club's Social Media presence is growing steadily. Currently there are close to 200,000 Facebook 'likes', while we have launched several Twitter feeds with a total of 70,000 followers since February. Future plans include a Celtic-branded YouTube page.

The Multi Media team also produced two significant events in the past year. In summer of 2011, the Legends Charity match took place. Although broadcast on ITV it was produced by the Club and raised around £336,000 for Oxfam's East Africa Appeal. In spring 2012, Multi Media also managed the visit of the Good Child Foundation (aka the 'Thai Tims') to Glasgow. The three-week visit culminated in a sell-out event with nine other acts at Glasgow Royal Concert Hall.

Multi Media have also produced two Retail DVD products and released several 'Apps' in the past financial year.

PUBLIC RELATIONS

Once again, the Club experienced a high level of media interest and activity throughout the year across domestic and European football, reflecting the Club's profile and the significant issues involved.

The Club's PR Department continued to achieve and manage a substantial amount of media coverage for a range of Club activities at a national level in 2011/12, including commercial, charitable and community events.

The PR Department also acts as an important liaison between the Club and supporters' organisations, assisting with supporter enquiries and requirements.

In addition, the Department liaises directly with a number of organisations to ensure that through a range of initiatives the Club upholds its important social dimension

BRAND PROTECTION

The Club continues to protect the Celtic brand worldwide to prevent unauthorised use by third parties, ensuring that the brand remains a valuable Club asset, and to protect our supporters from substandard goods and services.

Over the course of last season alone, the availability of counterfeit goods was reduced, with goods to the value of approximately £7.5 million being removed from the marketplace, along with the removal of a number of websites found to be offering unofficial Celtic goods and services.

The Club continues to work closely with key partners including NIKE, to protect the value and global profile of the Celtic brand.

PARTNER PROGRAMME

The Club's relationship with current shirt sponsor Tennent's continues to grow. Strong on field performance has delivered increased brand awareness, and established promotions like the 'Could Have Been a Player' marketing campaign have been very well received. NIKE remain a mainstay of the partner programme, with our relationship now entering its eighth consecutive year.

Similarly, the Club's relationship with Lomond Audi has continued to deliver strong returns for their brand as Celtic's car supplier and sponsor. During the season, executive dugout seating was installed to give further brand awareness. The Audi agreement will continue for season 2012/13.

The Club has also delivered new sponsorships for Betdaq and 888poker.com in the online sports betting and poker categories respectively.

Further sponsorship revenues have been confirmed with contract extensions with Coca Cola Enterprises and Scottish Leader Whisky, both agreements running until the end of the 2013/14 season.

Internationally, the Club continues to enjoy a strong working relationship with the Mahindra Group to assist them with the implementation of a grassroots football tournament across India. Several extremely talented Indian youngsters have been put through their paces at Lennoxtown under the watchful eye of youth academy staff to help maximise their potential. The Club continues to discuss further opportunities with Mahindra to build upon this relationship.

Co-operation arrangements with Mexican Premier League team Santos Laguna continue to blossom with knowledge-sharing and staff exchanges during the course of the year. Both parties are working together on several football and commercial opportunities for season 2012/13.

Overall, the sponsorship landscape remains extremely tough as the ongoing economic difficulties continue to impact upon companies' advertising and marketing budgets. However we have been able to maintain and extend our relationships with our sponsors and are grateful for their continued support during a challenging period for us all. The Club continues to pursue new business opportunities domestically and internationally to enhance revenues.

STADIUM

During the course of the year we continued to enhance the close liaison and valued partnership with the Glasgow City Council Safety Team for Sports Grounds, placing spectator safety as our highest priority.

The training of colleagues responsible for public safety duties continued to be developed. Our Matchday Safety Officers responsible for the management of spectator safety are fully qualified and accredited in compliance with Edition 5 of the Guide to Safety at Sports Grounds. In addition, matchday safety stewards are also qualified in compliance with the Guide and our stewards participate in an accredited training programme leading to an SVQ Level 2 in Event Stewarding. Once more, the Club continued to provide inputs to the police Match Commanders' training programme, held at the Scottish Police College.

To enhance safety and provide assistance to our travelling support, the Club has maintained its commitment to providing Celtic travel stewards at away fixtures in the United Kingdom and abroad. As part of this initiative, the provision of transport for fans with walking difficulties has been introduced for SPL matches where coach parking is some distance from the stadium. This initiative continues to be developed with the assistance of supporters' groups.

Again, the Club was delighted to host a major seminar specifically aimed at enhancing spectator safety. The seminar was held by the Football Safety Officers Association Scotland in liaison with the police service and other key stakeholders responsible for public safety.

FACILITIES

The Facilities Department once again managed to control costs effectively without compromising standards throughout the stadium. Work has continued to reduce the carbon footprint, with energy saving works including the installation of motion sensor light fittings in the concourse areas, LED light fittings in the Kerrydale Kitchen and the installation of VendServe devices.

Larger- scale activities have included the new big screens in the East and West Stands of the stadium, new dugouts for the home and away teams, the installation of a battery back-up system on turnstiles and re-decoration of concourse areas.

2011/12 also presented an opportunity to upgrade and improve IT infrastructure, helping to ensure it is kept current, secure and with adequate capacity to serve the current and future demands of the Club.

During one of the wettest years on record, our ground staff managed to maintain high quality playing surfaces for the first team, as well as hosting Next Generation and Youth Cup matches at Celtic Park. Our staff and pitches were once again acclaimed at the Institute of Groundsmanship Awards in November, being awarded second place in both the Best Pitch and Groundsman of the Year categories.

CATERING AND CORPORATE HOSPITALITY

Corporate Hospitality maintained its usual high standard of service, achieving a 98% satisfaction score on the customer feedback survey for matchday experience. However, financial performance fell short of budget in a challenging economic climate.

Christmas events were a great success with an increased attendance of 20% on the previous year. The Player of the Year awards dinner was well -received by the 820 guests who attended.

The Number 7 Restaurant continued to perform well for lunch on Sundays, which remains our most popular day for dining.

The Visitor Centre has also continued to contribute with sales and the number of attendees in line with previous years. Celtic's Visitor Centre has now been listed as one of Glasgow's Leading Attractions and we continue to attract visitors from all over the world.

Corporate seasonal sales were a challenge in a difficult environment, with seat sales slightly below expectations but offset by strong performance from multi and single match packages for SPL fixtures.

Premium areas continued to do well, although affected by the number of concession seats. Again multi and single match packages for SPL fixtures in these areas were ahead of budget.

Sales for our Europa League games were slightly behind budget levels for the corporate and premium areas, but mainly due to the 6pm kick off slot allocated to 2 of the 3 matches, which proved unattractive to the corporate marketplace.

1000 guests enjoying pre and post match hospitality at Celtic Park on the day of the Communities League Cup Final.

SUPPORTER RELATIONS

Our Customer Relationship Management (CRM) system continues to bring supporter information from many different business areas into one database, and is used to support both the Club's marketing activities and those of our sponsors in a targeted, cost-effective manner.

Investment has been made in a new CRM system, which will improve functionality and reduce operating costs.

The number of supporters held in the database has continued to grow, with a 32% increase in contacts over the year.

CELTIC CHARITY FUND

We have been happy to have been able to continue to assist Celtic Charity Fund with its activities, with hundreds of thousands of pounds raised for a range of worthy causes. Fundraising activities undertaken by the Fund included the Legends Match, Club Couture Fashion Show, inaugural charity trip to Kenya, visit of the Thai Tims to Scotland and the Annual Sporting Dinner.

The Charity Fund's total financial contribution to charitable causes in 2011/12 was nearly £392,360. Further details are contained within their report.

HUMAN RESOURCES

In a climate of unprecedented turmoil within Scottish football we remain committed to providing consistency in our approach to people management. Training and development has been an area of focus and some investment, with a significant proportion of our workforce attending formal training throughout the year and more scheduled for 2012/13. Internal communications continue to be improved with a re-launch of our Colleagues' Suggestion Scheme planned in the forthcoming months. Employee turnover has ensured that recruitment and induction processes have been an area of constant focus, with a number of new employees joining us and bringing with them a wealth of knowledge and experience. Our Celtic Choice benefits package is receiving renewed attention with an online portal becoming available , ensuring all employees have access to their benefits from any location at any time.

In January 2012 our annual employee opinions survey was issued, which once again provided useful feedback, highlighting areas of improvement and allowing for focussed action plans to be implemented for the forthcoming year.

We retained Job Centre Plus's 'Positive about Disabled People' symbol in February 2012, for the seventh consecutive year, recognising Celtic's commitments to employing, keeping and developing the abilities of disabled staff.

Celtic also continues to hold "Tommy's" accreditation, reflecting our good practice in respect of pregnant employees.

Employment opportunities have been provided to 19 people through the Community Jobs Scotland project which is endorsed by Social Enterprise Scotland and aims to support young people into sustainable employment.

SUMMARY AND OUTLOOK

Although, on its face, the financial outcome for the year ended 30 June 2012 appears disappointing, this was the result of a deliberate policy of retaining key players in order to achieve significant strategic objectives that, if fulfilled, would have a substantial beneficial impact later in the year. The success gained on the pitch in meeting those objectives now provides us with greater flexibility than would otherwise have been the case.

Maintaining the discipline of good financial management and cost control over a number of years has also been central to our ability to withstand the uncertainty and financial effects of the problems at Rangers and the prolonged economic downturn. That disciplined approach will continue. We are operating from a position of comparative financial and football strength, with exciting young players continuing to make their mark in the first team, and the generation of value within the squad itself.

The return of Champions League football to Celtic Park this season will undoubtedly provide a substantial boost and an added incentive to maintain the progress we have made.

Peter Lawwell **18 September 2012**
Chief Executive

Celtic plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		2012			2011		
	Notes	**Operations excluding intangible asset trading £000**	**Intangible asset trading £000**	**Total £000**	Operations excluding intangible asset trading £000	Intangible asset trading £000	Total £000
Continuing operations:							
Revenue	**2**	**51,341**	**-**	**51,341**	52,557	-	52,557
Operating expenses (excluding exceptional operating expenses)	**2**	**(54,436)**	**-**	**(54,436)**	(52,501)	-	(52,501)
(Loss)/ profit from trading before asset transactions and exceptional items		**(3,095)**	**-**	**(3,095)**	56	-	56
Exceptional operating expenses	**3**	**(241)**	**(301)**	**(542)**	(809)	(3,181)	(3,990)
Amortisation of intangible assets		**-**	**(6,367)**	**(6,367)**	-	(8,155)	(8,155)
Profit on disposal of intangible assets		**-**	**3,543**	**3,543**	-	13,228	13,228
Loss on disposal of property, plant and equipment		**(120)**	**-**	**(120)**	(314)	-	(314)
Operating (loss) / profit		**(3,456)**	**(3,125)**	**(6,581)**	(1,067)	1,892	825
Finance costs:							
Bank loans and overdrafts				**(246)**			(179)
Convertible Cumulative Preference Shares				**(544)**			(544)
(Loss) / profit before tax				**(7,371)**			102
Income tax expense	**5**			**-**			-
(Loss) / profit and total comprehensive income for the year				**(7,371)**			102
(Loss) / profit attributable to equity holders of the parent				**(7,371)**			102
Total comprehensive income attributable to equity holders of the parent				**(7,371)**			102
Diluted (loss) / earnings per Ordinary Share from continuing operations and for the year	**6**			**(8.17p)**			0.11p
Diluted (loss) / earnings per share from continuing operations and for the year	**6**			**(5.01p)**			0.47p

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CONSOLIDATED BALANCE SHEET

	2012 £000	2011 £000
Assets		
Non-current assets		
Property, plant and equipment	**53,452**	54,357
Intangible assets	**7,333**	10,364
	60,785	64,721
Current assets		
Inventories	**2,160**	2,250
Trade and other receivables	**4,981**	5,837
Cash and cash equivalents	**8,198**	10,818
	15,339	18,905
Total assets	**76,124**	83,626
Equity		
Issued share capital	**24,264**	24,264
Share premium	**14,443**	14,399
Other reserve	**21,222**	21,222
Capital reserve	**2,630**	2,629
Accumulated losses	**(29,881)**	(22,511)
Total equity	**32,678**	40,003
Non-current liabilities		
Interest-bearing liabilities/bank loans	**10,594**	10,968
Debt element of Convertible Cumulative Preference Shares	**4,441**	4,438
Deferred income	**121**	142
	15,156	15,548
Current liabilities		
Trade and other payables	**15,069**	15,815
Current borrowings	**493**	506
Deferred income	**12,728**	11,754
	28,290	28,075
Total liabilities	**43,446**	43,623
Total equity and liabilities	**76,124**	83,626

Approved by the Board on 18 September 2012

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group	Share capital £000	Share premium £000	Other reserve £000	Capital reserve £000	Retained earnings £000	Total £000
Equity shareholders' funds as at 1 July 2010	**24,246**	**14,359**	**21,222**	**2,646**	**(22,613)**	**39,860**
Share capital issued	1	40	-	-	-	41
Transfer from capital reserve	17	-	-	(17)	-	-
Profit and total comprehensive income for the year	-	-	-	-	102	102
Equity shareholders' funds as at 30 June 2011	**24,264**	**14,399**	**21,222**	**2,628**	**(22,510)**	**40,003**
Share capital issued	-	44	-	-	-	44
Transfer to capital reserve	-	-	-	2	-	2
Loss and total comprehensive income for the year	-	-	-	-	(7,371)	(7,371)
Equity shareholders' funds as at 30 June 2012	**24,264**	**14,443**	**21,222**	**2,630**	**(29,881)**	**32,678**

Celtic plc

CONSOLIDATED CASH FLOW STATEMENT

	2012	2011
	£000	£000
Cash flows from operating activities		
(Loss)/ profit for the year	**(7,371)**	102
Depreciation	**1,817**	2,077
Amortisation of intangible assets	**6,367**	8,155
Impairment of intangible assets	**301**	3,181
Profit on disposal of intangible assets	**(3,543)**	(13,228)
Loss on disposal of property, plant and equipment	**120**	314
Finance costs	**790**	723
	(1,519)	1,324
Decrease / (increase) in inventories	**90**	(475)
Decrease / (increase) in receivables	**415**	(668)
Decrease / (increase) in payables and deferred income	**2,552**	(735)
Cash generated from operations	**1,538**	(554)
Interest paid	**(246)**	(179)
Net cash flow from operating activities - A	**1,292**	(733)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(879)**	(807)
Purchase of intangible assets	**(7,737)**	(9,891)
Proceeds from sale of intangible assets	**5,586**	17,267
Net cash (used) / generated in investing activities - B	**(3,030)**	6,569
Cash flows from financing activities		
Repayment of debt	**(384)**	(382)
Dividends paid	**(498)**	(503)
Net cash used in financing activities - C	**(882)**	(885)
Net (decrease)/increase in cash equivalents A+B+C	**(2,620)**	4,951
Cash and cash equivalents at 1 July	**10,818**	5,867
Cash and cash equivalents at 30 June	**8,198**	10,818

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NOTES TO THE ACCOUNTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These Financial Statements have been prepared in accordance with IFRS as adopted by the European Union, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The accounting policies have been consistently applied to both years presented.

2. REVENUE AND OPERATING EXPENSES

REVENUE	**2012** **£000**	2011 £000
The Group's revenue comprised:		
Football and Stadium Operations	**28,941**	30,986
Merchandising	**13,342**	14,330
Multimedia and Other Commercial Activities	**9,058**	7,241
	51,341	52,557

OPERATING EXPENSES	**2012** **£000**	2011 £000
The Group's operating expenses comprised:		
Football and Stadium Operations (excluding exceptional items and asset transactions)	**43,079**	40,838
Exceptional items and asset transactions:	**241**	809
Impairment of intangible assets	**301**	3,181
Amortisation of intangible assets	**6,367**	8,155
Profit on disposal of intangible assets	**(3,543)**	(13,228)
Loss on disposal of property, plant and equipment	**120**	314
Total Football and Stadium Operations	**46,565**	40,069
Merchandising	**9,177**	9,717
Multimedia and Other Commercial Activities	**2,180**	1,946
	57,922	51,732

3. EXCEPTIONAL OPERATING EXPENSES

The exceptional operating expenses of £0.16m (2011: £3.99m) can be analysed as follows:.

Exceptional operating expenses comprised	**2012** **£000**	2011 £000
Impairment of intangible assets (Note 2d)	**301**	3,181
Compromise payments on contract termination	**192**	(428)
Onerous contract costs	**49**	1,237
	542	3,990

4. DIVIDENDS

A 6% (before tax credit deduction) non-equity dividend of £0.54m (2011: £0.54m) was paid on 31 August 2012 to those holders of Convertible Cumulative Preference Shares on the share register at 29 July 2012. On 31 August 2007 the entitlement to a dividend on the Convertible Preferred Ordinary Shares ceased. A number of shareholders elected to participate in the Company's scrip dividend reinvestment scheme for the financial year to 30 June 2012. Those shareholders have received new Ordinary Shares in lieu of cash. The implementation of the presentational aspects of IAS32 ("Financial Instruments: disclosure") in the preparation of the annual results, requires that the Group's Preference Shares and Convertible Preferred Ordinary Shares, as compound financial instruments, are classified as a combination of debt and equity and the attributable non-equity dividends are classified as finance costs. No dividends were payable or proposed to be payable on the Company's Ordinary Shares.

5. TAXATION

No provision for corporation tax or deferred tax is required in respect of the year ended 30 June 2012. Estimated tax losses available for set-off against future trading profits amount to approximately £33m (2011: £27m) and, in addition, the available capital allowances pool is approximately £13.99m (2011: £14.55m). These estimates are subject to the agreement of the current and prior years' corporation tax computations with H M Revenue and Customs.

6. EARNINGS PER SHARE

	2012	2011
	£000	£000
Reconciliation of (loss) / earnings to basic earnings / (loss):		
Net (loss) / earnings attributable to equity holders of the parent	**(7,371)**	102
Basic (loss) / earnings	**(7,371)**	102
Reconciliation of basic (loss) / earnings to diluted (loss) / earnings:		
Basic (loss) / earnings	**(7,371)**	102
Non-equity share dividend	**544**	544
Diluted (loss) / earnings	**(6,827)**	646
	No.'000	No.'000
Reconciliation of basic weighted average number of ordinary shares to diluted weighted average number of ordinary shares:		
Basic weighted average number of ordinary shares	**90,247**	90,069
Dilutive effect of convertible shares	**46,125**	46,150
Diluted weighted average number of ordinary shares	**136,372**	136,219

Earnings per share has been calculated by dividing the loss for the period of £7.37m (2011: £0.10m profit) by the weighted average number of Ordinary Shares of 90.2m (2011: 90.07m) in issue during the year. Diluted earnings per share as at 30 June 2012 has been calculated by dividing the loss for the period by the weighted average number of Ordinary Shares, Preference Shares and Convertible Preferred Ordinary Shares in issue, assuming conversion at the balance sheet date, and the full exercise of outstanding share purchase options, if dilutive, in accordance with IAS33 Earnings Per Share. As at June 2012 and June 2011 no account was taken of potential share purchase options, as these potential Ordinary Shares were not considered to be dilutive under the definitions of the applicable accounting standards.

7. ANNUAL REPORT & ACCOUNTS

Copies of the Annual Report & Accounts together with the Notice and Notes of the 2012 AGM will be made available to all shareholders in due course.

The financial information set out above was approved by the directors on 18 September 2012 and does not constitute the Company's statutory accounts for the years ended 30 June 2012 or 30 June 2011. The auditor's opinion on the 2012 statutory accounts is unmodified and does not include a statement under Sections 498(2) or (3) of the Companies Act 2006. The statutory accounts for 2011 have been filed and those for 2012 will be delivered to the Registrar of Companies in due course.