

# Hibs suffer operating loss of £800,000 for year



Hibs today published its Financial Statements for the year ended 31 July 2014.

Turnover for the year fell from £8.0m in the previous year to £5.8m. The drop in Turnover reflects poorer sporting performance and the outsourcing of the management of the Club Store at the start of the Season.

The lower league position contributed to lower gate income from matches played at Easter Road Stadium and a lower distribution from the SPFL which is based on each club's final league position.

The outsourcing of the management of the Club Store means that there are no Retail Sales included in Turnover and this accounted for a significant part of the drop in Turnover. It also contributed to part of the saving in other costs which fell from £3.3m to £2.4m for the year ended 31 July 2014.

Staff costs fell from £3.9m to £3.7m, but the key Wages to Turnover Ratio increased from 49% to 64% due to the greater fall in Turnover experienced in the year.

The Club suffered an operating loss for the year of £0.8m compared to a profit of £0.3m for the previous year.

The Net Assets of the Club at 31 July 2014, after taking account of all liabilities, amounted to £14.9m, equivalent to 25 pence per share.

On 29 December 2014 the Club announced that it was free of bank debt, having reached a settlement with Bank of Scotland, and that the holding company had agreed to capitalise £4.5m of

the Club's debts. The Club's indebtedness to the Bank at 31 July 2014 was £6.3m and the amount due to the holding company as at that date was £3m. If the transactions announced on 29 December 2014 had taken place as at 31 July 2014, the impact would have been to increase the Club's Net Assets to £19.4m.

The Annual General Meeting for shareholders will be held at Easter Road Stadium at 7 pm on Wednesday 28 January 2015.