

Raith Rovers: Who owns what?

Raith Rovers has a complex structure, which has developed over many years. This complexity makes it difficult to understand who owns the club, where decisions are taken, and where to take action to positively influence and support its future direction.



Raith Rovers Holdings Ltd

Formed in 1994 in order to enable new investment in the club, Raith Rovers Holdings Ltd is the largest shareholder in Raith Rovers FC Ltd.

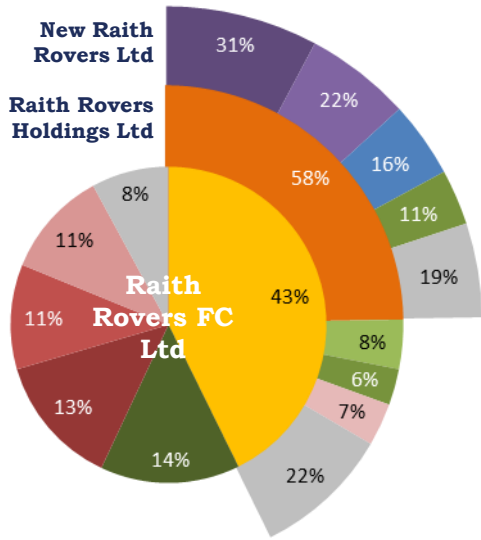
Until the recent creation of the 'Members Club', Raith Rovers Holdings Ltd owned 43% of the ordinary shares and 56% of the preference shares in Raith Rovers FC Ltd, giving it majority voting rights and effective control over the club.

Raith Rovers FC Ltd

RRFC Ltd is "the club" (i.e. it holds SFA and league membership), but all decisions are made in New Raith Rovers Ltd and Starks Park Properties Ltd.

There are lots of marginal, mostly historical, shareholdings with little decision-making power or influence.

The Football Club



New Raith Rovers Ltd

New Raith Rovers Ltd was formed in 2005 as a result of the "Reclaim The Rovers" takeover.

It is the most evenly owned company in Raith Rovers, with rules in place to ensure it cannot be owned by a single majority shareholder. This is designed to encourage consensus and cooperation rather than outright control.

New Raith Rovers owns a **majority share** in Raith Rovers Holdings Ltd, and in turn holds a controlling interest in **Raith Rovers Football Club Ltd**.

New Raith Rovers is a **minority shareholder** in **Starks Park Properties Ltd**, the company which owns the stadium.

The Current Directors

- John Sim
- Mario Caira
- Turnbull Hutton

Figures From The Past

- Iain Watt
- Robert Paxton
- Alexander Robertson
- William Gray

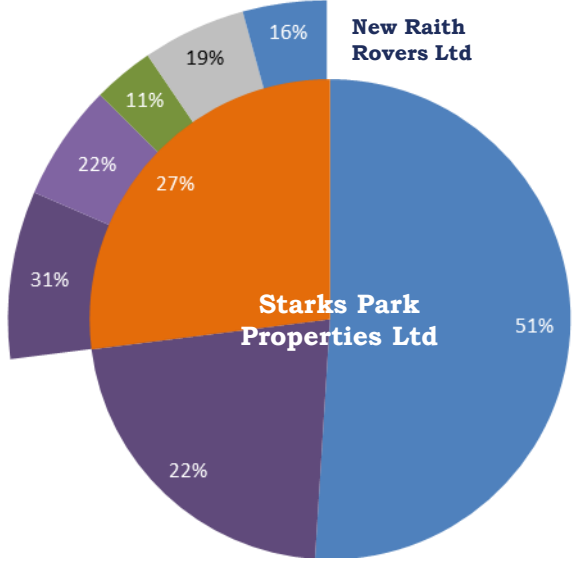
The Holding Companies

- New Raith Rovers Ltd
- Raith Rovers Holdings Ltd

The Supporters

- Members Club
- Raith Supporters Trust
- Raith Rovers Supporters Club
- Others

The Stadium



Starks Park Properties Ltd

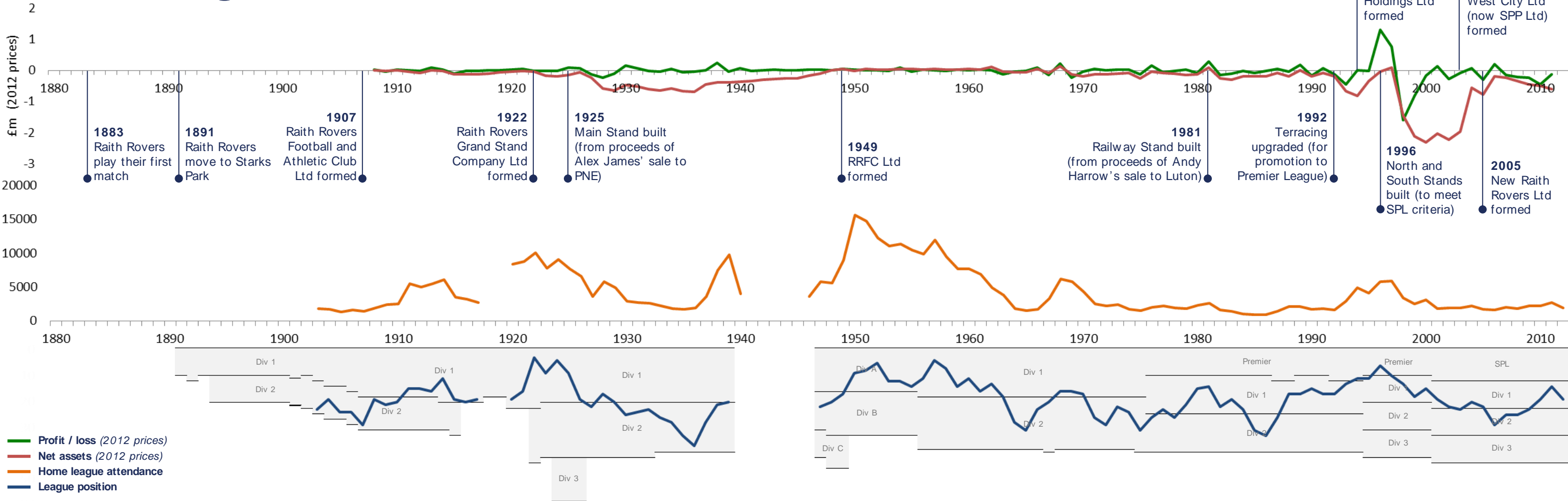
Starks Park Properties Ltd (formerly known as West City) owns "the stadium" – the club's only asset of significant value.

Starks Park Properties Ltd is the only company in Raith Rovers with a single controlling interest – John Sim is the only director of the company.

In addition to his majority shareholding, John Sim provides a £450K personal guarantee to the bank.

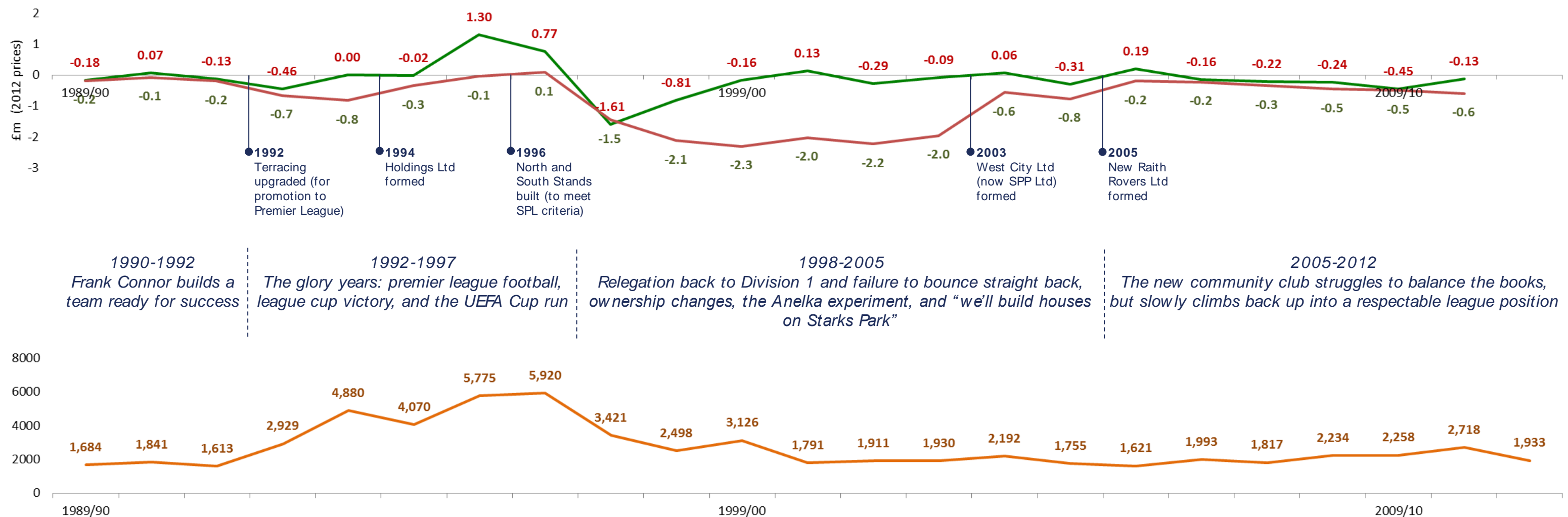
How did we get here?

Historical financial data sourced with permission from "Always Next Season" by John Litster, and adjusted to 2012 prices.
Post-2004 financial data sourced from accounts of RRFC Ltd, Holdings Ltd, NRR Ltd and SPP Ltd, excluding intercompany transactions.



Zooming in: What about the last two decades?

- There are close correlations between league position, attendance and financial performance.
- The football club has made a profit 6 times since 1990, with the two most profitable years being 1996 and 1997 (due to Premier Division football, the UEFA Cup run, and the sale of Steven McAnespie to Bolton Wanderers).
- Since the late 1990s, losses have been modest, as have profits in the 3 years that the club has been profitable.
- Since 2000, attendances have been relatively steady (between 1700 and 2300) other than 2010's head-to-head title challenge with Dunfermline Athletic – the same level as attendances in the late 1980s before the “glory years”.
- The 2005 takeover successfully stabilised the club, but did not solve all of our problems. The takeover was under-capitalised, raising enough money to effect a change in ownership but insufficient to put the club in the black. Small losses in all but one of the years since the takeover have seen the financial position steadily worsen, with the gap being filled by ongoing investment and loans from directors.



— Profit / loss (2012 prices)
— Net assets (2012 prices)
— Home league attendance

What next?

- Motions were passed in recent AGMs that would allow the intercompany debt to be converted into equity, bringing the possibility of simplifying the company structure closer to reality.
- League reconstruction, accompanied by a change in the financial redistribution model, seems imminent. This could have a positive impact on the club's finances – although a cautionary note must be struck... league reconstruction has been a recurring theme throughout the history of Scottish football, and has never been the answer to our prayers before!
- What should the Trust's priority be? Prepare for another crisis? Buy back Starks Park? Wipe out the debt? Or something else?