

THE ST MIRREN FOOTBALL CLUB LIMITED

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2011

WEDNESDAY



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29/02/2012

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COMPANIES HOUSE

JRD LLP  
Chartered Accountants  
Registered Auditor  
11 Portland Road  
Kilmarnock  
Ayrshire  
KA1 2BT

**THE ST MIRREN FOOTBALL CLUB LIMITED (REGISTERED NUMBER: SC005773)**

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**FOR THE YEAR ENDED 31 MAY 2011**

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**Directors**      S G Gilmour  
                     G P Campbell  
                     R Atkinson  
                     B McAusland  
                     K McGeoch  
                     A Marshall LLB  
                     C Stewart

**Secretary and Registered Office**

C Stewart, St. Mirren Park, 75 Greenhill Road, Paisley PA3 1RU.

**Company Number**

SC005773 (Scotland)

**Auditors**

JRD LLP, 11 Portland Road, Kilmarnock KA1 2BT.

**Bankers**

Clydesdale Bank, 1 Causeyside Street, Paisley PA1 1BH.

**Solicitors**

McSherry Halliday Dale & Marshall, Bank Chambers, 42 Bank Street, Kilmarnock KA1 1HA.

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**THE ST MIRREN FOOTBALL CLUB LIMITED**

**NOTICE OF MEETING**  
**FOR THE YEAR ENDED 31 MAY 2011**

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Notice is hereby given that the One Hundred and Sixth Annual General Meeting of The St. Mirren Football Club Limited will be held within the Hospitality Suite at St Mirren Park, Greenhill Road, Paisley PA3 1RU on Sunday 18<sup>th</sup> December 2011 at 2pm for the following purposes.

1. To receive the Annual Report and Accounts for the year ended 31<sup>st</sup> May 2011 with the reports of the Directors and Auditors thereon;
2. To vote on the proposals included with this notice;
3. To re-elect Directors;
4. To re-appoint Auditor;
5. To authorise the Directors to fix the remuneration of the Auditors; and
6. To transact any other business.

Dated 18 November 2011

**BY ORDER OF THE BOARD**

**C STEWART**  
Secretary

**Note**

A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of him or her. A proxy need not be a member of the Company. Forms of proxy must be lodged at the Registered Office of the Company not less than 48 hours prior to the meeting.

**CHAIRMAN'S REPORT**  
**FOR THE YEAR ENDED 31 MAY 2011**

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In typical St Mirren fashion this has been an eventful year with the manager implementing many personnel changes in his playing squad and there being no let up in the financial constraints placed on every business during this very testing economic time.

I am delighted to report that the wage bill is under control, having been reduced by some £700k. This was questioned by a number of shareholders last year. The trading of the company has been well managed over the last accounting year with all of our trading operating loss being attributable to depreciation charges.

The purchase of the consortium's shares is an ongoing situation. With this in mind I will report verbally on this at the AGM as inevitably anything I report now will no doubt be out of date between the writing of this Report and our meeting.

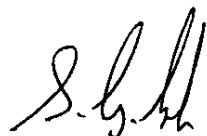
The performance of the team to date has been encouraging with our new style of play much more pleasing on the eye to us all. The manager must be thanked for his tireless work to make changes during his tenancy under the constraints of a very much reduced budget from that of previous years. With that in mind and his desire to change our pattern of play, it should be highlighted to last year's critics that the target of retaining Premier League status was attained.

Danny Lennon has also made a few changes in his backroom staff, bringing in the experience of Tommy Craig and Physiotherapist Gerry Docherty. Both of them have brought a top level of professionalism to the club. I would take this opportunity to thank all of the staff for their efforts to move the club forward in football terms.

Our other departments, Youth, Community, Commercial and Administration, under the watchful eye of our General Manager Brian Caldwell, work hard in their efforts to assist in keeping the club in the forefront of the local community and at the top level of involvement in Scottish Football. I would thank all members of staff for their hard work and commitment to the club during this difficult time.

I had hoped that last year's may have been my last Report. That has proved not to be the case, but this does not, however, change the commitment, time and effort that the Board of Directors continue to give to ensure that the club is in good shape to move forward in our quest to be in as high a place as possible within Scottish Football while operating within our means.

I thank you for your continued support and look forward to the future which is still very bright and will always be Black and White.



Stewart G Gilmour  
Chairman

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MAY 2011**

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The directors present their report with the financial statements of the company for the year ended 31 May 2011.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the control and management of The St Mirren Football Club Limited.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

Income for the year is £3.1m, a decrease of 19% on last year. Football income dropped due to the team finishing one place lower in the league than last year and the cup performances in 2010/11 did not match 2009/2010. Commercial & Other Non-Football income increased for the 3rd year in a row.

Expenses are down by £726k. The largest contributor to this is employment costs, which show a decrease of £744k.

The club finished in 11th place in the Scottish Premier League (2010 10th)

The Board of Directors' plans for the future are included in the Chairman's statement.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 May 2011.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 June 2010 to the date of this report.

S G Gilmour  
G P Campbell  
B McAusland  
K McGeoch  
A W Marshall LL.B

Other changes in directors holding office are as follows:

C Stewart - appointed 21 June 2010  
R Atkinson - appointed 21 June 2010

In accordance with the Articles of Association, B McAusland and A W Marshall LL.B will retire at the forthcoming Annual General Meeting, and being eligible, will stand for re-election.

**KEY PERFORMANCE INDICATORS**

The directors monitor performance against the following key performance indicators:

Football success  
Match attendance statistics  
Sales and cost performance per division  
Wages costs  
Profit and cash generation

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties associated with running a professional football club are set out below.

The directors consider that the principal risks are the transfer market and players' wages, attendance levels at home games and revenues from broadcasting contracts. All of these are influenced significantly by factors beyond the control of the company. A significant decrease in attendances or in revenues from broadcasting could have a detrimental impact on financial performance.

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MAY 2011**

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**INDEMNITIES AND INSURANCE**

St Mirren Football Club maintains Directors liability insurance and has granted the Directors of the Company an indemnity, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, JRD LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
C Stewart - Secretary

12 October 2011

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE ST MIRREN FOOTBALL CLUB LIMITED**

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We have audited the financial statements of The St Mirren Football Club Limited for the year ended 31 May 2011 on pages seven to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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 explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2011 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE ST MIRREN FOOTBALL CLUB LIMITED**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



W Gibson CA (Senior Statutory Auditor)  
for and on behalf of JRD LLP  
Chartered Accountants  
Registered Auditor  
11 Portland Road  
Kilmarnock  
Ayrshire  
KA1 2BT

14 November 2011



**THE ST MIRREN FOOTBALL CLUB LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MAY 2011**

	Notes	2011 £	2010 £
<b>TURNOVER</b>		3,127,898	3,875,324
Cost of sales		<u>363,231</u>	<u>402,777</u>
<b>GROSS PROFIT</b>		2,764,667	3,472,547
Administrative expenses		<u>3,121,528</u>	<u>3,807,516</u>
		(356,861)	(334,969)
Other operating income		<u>10,000</u>	<u>10,000</u>
<b>OPERATING LOSS</b>	3	(346,861)	(324,969)
Interest receivable and similar income		<u>3,381</u>	<u>1,230</u>
		(343,480)	(323,739)
Interest payable and similar charges	4	<u>2,005</u>	<u>4,202</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(345,485)	(327,941)
Tax on loss on ordinary activities	5	<u>(29,667)</u>	<u>(97,568)</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(315,818)</u>	<u>(230,373)</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the losses for the current year or previous year.

The notes form part of these financial statements

**THE ST MIRREN FOOTBALL CLUB LIMITED****BALANCE SHEET**  
**31 MAY 2011**

	Notes	2011 £	2010 £
<b>FIXED ASSETS</b>			
Intangible assets	6	-	-
Tangible assets	7	<u>11,095,986</u>	<u>11,357,278</u>
		11,095,986	11,357,278
<b>CURRENT ASSETS</b>			
Debtors	8	279,696	427,619
Cash at bank and in hand		<u>10,606</u>	<u>105,009</u>
		290,302	532,628
<b>CREDITORS</b>			
Amounts falling due within one year	9	<u>626,812</u>	<u>773,957</u>
<b>NET CURRENT LIABILITIES</b>		<u>(336,510)</u>	<u>(241,329)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		10,759,476	11,115,949
<b>CREDITORS</b>			
Amounts falling due after more than one year	10	(59,860)	(90,515)
<b>ACCRUALS AND DEFERRED INCOME</b>	14	<u>(80,000)</u>	<u>(90,000)</u>
<b>NET ASSETS</b>		<u>10,619,616</u>	<u>10,935,434</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	95,250	95,250
Share premium	16	1,103,859	1,103,859
Profit and loss account	16	<u>9,420,507</u>	<u>9,736,325</u>
<b>SHAREHOLDERS' FUNDS</b>	19	<u>10,619,616</u>	<u>10,935,434</u>

The financial statements were approved by the Board of Directors on 12 October 2011 and were signed on its behalf by:



S G Gilmour - Director

The notes form part of these financial statements

**THE ST MIRREN FOOTBALL CLUB LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MAY 2011**

	Notes	2011 £	2010 £
Net cash (outflow)/inflow from operating activities	20	(117,798)	39,090
Returns on investments and servicing of finance	21	1,376	(2,972)
Taxation		127,235	157,636
Capital expenditure	21	<u>(62,240)</u>	<u>(588,842)</u>
		(51,427)	(395,088)
Financing	21	<u>(42,976)</u>	<u>(45,024)</u>
Decrease in cash in the period		<u>(94,403)</u>	<u>(440,112)</u>
Reconciliation of net cash flow to movement in net debt	22		
Decrease in cash in the period		(94,403)	(440,112)
Cash outflow from decrease in debt and lease financing		<u>42,976</u>	<u>41,298</u>
Change in net debt resulting from cash flows		(51,427)	(398,814)
New hire purchase contracts		<u>(17,878)</u>	<u>-</u>
Movement in net debt in the period		(69,305)	(398,814)
Net (debt)/funds at 1 June		<u>(23,262)</u>	<u>375,552</u>
Net debt at 31 May		<u>(92,567)</u>	<u>(23,262)</u>

The notes form part of these financial statements

# **THE ST MIRREN FOOTBALL CLUB LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 MAY 2011**

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### **1. ACCOUNTING POLICIES**

#### **Basis of preparing the financial statements**

The financial statements are prepared in accordance with applicable accounting standards.

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention.

#### **Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

#### **Players' registrations**

Players' registrations are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal amounts over the length of the initial contract.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Long leasehold	- in accordance with the property
Plant and machinery	- 15% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on reducing balance

#### **Deferred tax**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

The deferred tax balance has not been discounted.

#### **Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

#### **Government grants**

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

### **2. STAFF COSTS**

	2011	2010
	£	£
Wages and salaries	2,018,214	2,648,277
Social security costs	<u>192,953</u>	<u>307,140</u>
	<u>2,211,167</u>	<u>2,955,417</u>

**THE ST MIRREN FOOTBALL CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MAY 2011**

**2. STAFF COSTS - continued**

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

	2011	2010
Players	45	39
Management and administration	<u>24</u>	<u>21</u>
	<u>69</u>	<u>60</u>

**3. OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2011	2010
	£	£
Other operating leases	1,532	1,344
Depreciation - owned assets	313,320	299,332
Depreciation - assets on hire purchase contracts	6,087	11,191
Profit on disposal of fixed assets	(2,997)	-
Players' registrations amortisation	50,000	1,304
Auditors' remuneration	6,500	6,100
Auditors' remuneration for non-audit work		
All other services	<u>2,400</u>	<u>2,600</u>
Directors' remuneration	<u>-</u>	<u>-</u>

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2011	2010
	£	£
Other interest	131	3,326
Hire purchase	<u>1,874</u>	<u>876</u>
	<u>2,005</u>	<u>4,202</u>

**5. TAXATION**

**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows:

	2011	2010
	£	£
Current tax:		
Prior year's corporation tax	<u>(29,667)</u>	<u>(97,568)</u>
Tax on loss on ordinary activities	<u>(29,667)</u>	<u>(97,568)</u>

UK corporation tax has been charged at 21% (2010 - 21%).

**THE ST MIRREN FOOTBALL CLUB LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2011****5. TAXATION - continued****Factors affecting the tax credit**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2011 £	2010 £
Loss on ordinary activities before tax	<u>(345,485)</u>	<u>(327,941)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2010 - 21%)	(72,552)	(68,868)
Effects of:		
Difference between depreciation and capital allowances	66,446	65,210
Expenses not deductible	50	-
Income not taxable	(4,350)	(4,403)
Carry back of capital expenditure against chargeable gains	(29,667)	(97,568)
Trading losses carried forward	10,898	8,061
Utilisation of tax losses	<u>(492)</u>	<u>-</u>
Current tax credit	<u>(29,667)</u>	<u>(97,568)</u>

No deferred tax debtor has been included in the financial statements for the trading losses being carried by the company because, in the opinion of the directors, it is not probable that these will be utilised in the near future.

**6. INTANGIBLE FIXED ASSETS**

	Players' registrations £
<b>COST</b>	
At 1 June 2010	10,000
Additions	<u>50,000</u>
At 31 May 2011	<u>60,000</u>
<b>AMORTISATION</b>	
At 1 June 2010	10,000
Amortisation for year	<u>50,000</u>
At 31 May 2011	<u>60,000</u>
<b>NET BOOK VALUE</b>	
At 31 May 2011	<u>-</u>
At 31 May 2010	<u>-</u>

**THE ST MIRREN FOOTBALL CLUB LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2011****7. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Plant and machinery £
<b>COST</b>			
At 1 June 2010	10,538,949	884,300	493,249
Additions	-	10,511	24,836
At 31 May 2011	10,538,949	894,811	518,085
<b>DEPRECIATION</b>			
At 1 June 2010	268,372	56,405	300,887
Charge for year	201,279	56,580	46,904
Eliminated on disposal	-	-	-
At 31 May 2011	469,651	112,985	347,791
<b>NET BOOK VALUE</b>			
At 31 May 2011	10,069,298	781,826	170,294
At 31 May 2010	10,270,577	827,895	192,362
	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 June 2010	75,914	23,500	12,015,912
Additions	-	24,346	59,693
Disposals	-	(5,000)	(5,000)
At 31 May 2011	75,914	42,846	12,070,605
<b>DEPRECIATION</b>			
At 1 June 2010	14,906	18,064	658,634
Charge for year	7,592	7,052	319,407
Eliminated on disposal	-	(3,422)	(3,422)
At 31 May 2011	22,498	21,694	974,619
<b>NET BOOK VALUE</b>			
At 31 May 2011	53,416	21,152	11,095,986
At 31 May 2010	61,008	5,436	11,357,278

Included in cost of freehold property is freehold land of £475,000 (2010 - £475,000) which is not depreciated.

£38,403 (2010 - £22,383) of fixed assets, included in the above, are held under hire purchase contracts. Depreciation of £12,802 (2010 - £11,191) was charged on these assets.

**THE ST MIRREN FOOTBALL CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MAY 2011**

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011	2010
	£	£
Trade debtors	156,031	66,930
Tax	-	97,568
Prepayments and accrued income	<u>123,665</u>	<u>263,121</u>
	<u>279,696</u>	<u>427,619</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011	2010
	£	£
Other loans (see note 11)	30,000	30,000
Hire purchase contracts (see note 12)	13,313	7,756
Trade creditors	210,586	216,519
Social security and other taxes	137,995	72,840
VAT	59,540	6,281
Other creditors	5,742	5,742
Wages control	2,369	20,484
Accrued expenses	<u>167,267</u>	<u>414,335</u>
	<u>626,812</u>	<u>773,957</u>

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2011	2010
	£	£
Other loans (see note 11)	52,500	82,500
Hire purchase contracts (see note 12)	<u>7,360</u>	<u>8,015</u>
	<u>59,860</u>	<u>90,515</u>

**11. LOANS**

An analysis of the maturity of loans is given below:

	2011	2010
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>30,000</u>	<u>30,000</u>
Amounts falling due between one and two years:		
Other loans - 1-2 years	<u>30,000</u>	<u>30,000</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>22,500</u>	<u>52,500</u>

The bank holds a floating charge over the assets and undertakings of the company.



**THE ST MIRREN FOOTBALL CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MAY 2011**

**12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

	Hire purchase contracts	
	2011	2010
	£	£
Net obligations repayable:		
Within one year	13,313	7,756
Between one and five years	<u>7,360</u>	<u>8,015</u>
	<u>20,673</u>	<u>15,771</u>

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2011	2010
	£	£
Expiring:		
In more than five years	<u>10,000</u>	<u>10,000</u>

**13. SECURED DEBTS**

The following secured debts are included within creditors:

	2011	2010
	£	£
Other loans	<u>82,500</u>	<u>-</u>

The loan from the Scottish Football Partnership is underwritten by the Scottish Premier League.

The company has granted The Scottish Sports Council, trading as "sportscotland" a standard security over the land at Greenhill Road, Paisley.

The company has granted Maxi Group Ltd a standard security over the property at St Mirren Park, Greenhill Road, Paisley. No money is due to Maxi Group Ltd at the balance sheet date.

**14. ACCRUALS AND DEFERRED INCOME**

	2011	2010
	£	£
Deferred government grants	<u>80,000</u>	<u>90,000</u>

**15. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2011	2010
			£	£
190,500	Ordinary	50p	<u>95,250</u>	<u>95,250</u>

**THE ST MIRREN FOOTBALL CLUB LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2011****16. RESERVES**

	Profit and loss account £	Share premium £	Totals £
At 1 June 2010	9,736,325	1,103,859	10,840,184
Deficit for the year	<u>(315,818)</u>		<u>(315,818)</u>
At 31 May 2011	<u>9,420,507</u>	<u>1,103,859</u>	<u>10,524,366</u>

**17. ULTIMATE PARENT COMPANY**

In the opinion of the directors the ultimate parent company and the ultimate controlling party is Douglas Street Limited. Douglas Street Limited is controlled by S Gilmour, G Campbell, A Marshall and B McAusland.

The parent undertaking of the largest group, which includes the company, for which group accounts are prepared is Douglas Street Limited, a company incorporated in Scotland. Copies of the group financial statements of Douglas Street Limited are available from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh EH3 9FF.

**18. CONTINGENT LIABILITIES**

The company has contingent liabilities of £3,500 (2010 - £9,000) if certain conditions in players' contracts are fulfilled.

**19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
Loss for the financial year	<u>(315,818)</u>	<u>(230,373)</u>
Net reduction of shareholders' funds	(315,818)	(230,373)
Opening shareholders' funds	<u>10,935,434</u>	<u>11,165,807</u>
Closing shareholders' funds	<u>10,619,616</u>	<u>10,935,434</u>

**20. RECONCILIATION OF OPERATING LOSS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2011 £	2010 £
Operating loss	(346,861)	(324,969)
Depreciation charges	369,407	311,827
Profit on disposal of fixed assets	(2,997)	-
Government grants	(10,000)	(10,000)
Decrease/(Increase) in debtors	50,355	(98,488)
(Decrease)/Increase in creditors	<u>(177,702)</u>	<u>160,720</u>
Net cash (outflow)/inflow from operating activities	<u>(117,798)</u>	<u>39,090</u>

**THE ST MIRREN FOOTBALL CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MAY 2011**

**21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2011 £	2010 £
<b>Returns on investments and servicing of finance</b>		
Interest received	3,381	1,230
Interest paid	(131)	(3,326)
Interest element of hire purchase payments	(1,874)	(876)
<b>Net cash inflow/(outflow) for returns on investments and servicing of finance</b>	<u>1,376</u>	<u>(2,972)</u>
<b>Capital expenditure</b>		
Purchase of intangible fixed assets	(25,000)	-
Purchase of tangible fixed assets	(41,815)	(588,842)
Sale of tangible fixed assets	4,575	-
<b>Net cash outflow for capital expenditure</b>	<u>(62,240)</u>	<u>(588,842)</u>
<b>Financing</b>		
New loans in year	100,000	-
Loan repayments in year	(130,000)	(30,000)
Capital repayments in year	(12,976)	(11,298)
Amount introduced by directors	-	125,000
Amount withdrawn by directors	-	(128,726)
<b>Net cash outflow from financing</b>	<u>(42,976)</u>	<u>(45,024)</u>

**22. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.6.10 £	Cash flow £	Other non-cash changes £	At 31.5.11 £
<b>Net cash:</b>				
Cash at bank and in hand	<u>105,009</u>	<u>(94,403)</u>		<u>10,606</u>
	<u>105,009</u>	<u>(94,403)</u>		<u>10,606</u>
<b>Debt:</b>				
Hire purchase	(15,771)	12,976	(17,878)	(20,673)
Debts falling due within one year	(30,000)	-	-	(30,000)
Debts falling due after one year	<u>(82,500)</u>	<u>30,000</u>	<u>-</u>	<u>(52,500)</u>
	<u>(128,271)</u>	<u>42,976</u>	<u>(17,878)</u>	<u>(103,173)</u>
<b>Total</b>	<u>(23,262)</u>	<u>(51,427)</u>	<u>(17,878)</u>	<u>(92,567)</u>

