

Company Registration No. SC05773 (Scotland)

THE ST MIRREN FOOTBALL CLUB LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2003



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THE ST MIRREN FOOTBALL CLUB LIMITED

COMPANY INFORMATION

Directors

S G Gilmour
G P Campbell
B McAusland
J Lucas
H McGeoch
J Purves
A W Marshall

Secretary

A W Marshall LL.B

Company number

SC05773

Registered office

St Mirren Park
Love Street
PAISLEY
PA3 2EJ

Auditors

JRD Partnership
Chartered Accountants
11 Portland Road
Kilmarnock
KA1 2BT

Business address

St Mirren Park
Love Street
PAISLEY
PA3 2EJ

Bankers

Clydesdale Bank
1 Causeyside Street
Paisley
Renfrewshire
Scotland

Solicitors

Dale & Marshall
18 Wallace Street
Galston
Ayrshire
KA4 8HP

THE ST MIRREN FOOTBALL CLUB LIMITED

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THE ST MIRREN FOOTBALL CLUB LIMITED

NOTICE OF MEETING

Notice is hereby given that the Ninety-seventh Annual General Meeting of The St. Mirren Football Club will be held at The Sports and Leisure Complex, St. Mirren Park, Love Street, Paisley on Sunday 14th December 2003 at 3pm for the following purposes:-

1. To receive the Annual Report and Accounts for the year ended 31st May 2003 with the reports of the Directors and Auditors thereon;
2. To re-elect Directors;
3. To re-appoint Auditors;
4. To authorise the Directors to fix the remuneration of the Auditors; and
5. To transact any other competent business.

Dated the 10th November 2003

BY ORDER OF THE BOARD



A. W. Marshall, 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. 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.

THE ST MIRREN FOOTBALL CLUB LIMITED

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 MAY 2003

This year's accounts show a loss because all contractual situations with former employees are accounted for in this year's statements. In terms of cash flow this is being paid over a period of three accounting years. Loan repayments, as reported in previous years, still create a problem in terms of cash flow as can be seen by our increasing overdraft facility.

The long-term debt remains a major problem and as such our efforts to re-site the club continue, albeit not at the rate of progress the Board of Directors would wish at this time. Hopefully by the date of the AGM we shall be able to give you a more up to date and optimistic report.

It was widely reported recently that this is a vital move for the club and that it was difficult to see the club continue in its current format should this move not take place. Our long-term creditors are demanding to be shown a route to repay their considerable debt. The directors have with the assistance of planning and development consultants examined every route and have come to the conclusion the only viable route for the club is the sale of Love Street to a supermarket chain.

This was no scare tactic and is fact. I would envisage at this stage that the club has some two years to bring this plan to a conclusion or suffer horrific consequences.

The football front has been very disappointing after the trauma of last season, however, it is my firm belief we have a better squad of players who have been rather unlucky through an unbelievable run of injury. I would expect us to climb through this league and be in a challenging position by the turn of the year. John Coughlin and his backroom staff of Gus McPherson and Arthur Bell are certainly working hard to turn the fortunes of the club around and return the club to the higher echelons of Scottish Football. Personally, I am extremely pleased to see the fruits of our youth policy starting to come through after a few barren years. We have always maintained this would occur; therefore it is pleasing to see this situation arise. My thanks go to the many coaches who assist in this department and let us hope St Mirren can produce the next 'golden child'.

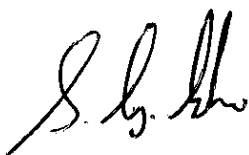
The commercial activities of the club are performing well given the current economic climate and the disappointing on field performances. Campbell Kennedy and Jim Crawford work tirelessly for the club in this department and are due our sincere thanks for their efforts.

The Sports and Leisure centre has held up well during the last year despite the obvious requirement for some investment in this department. Given our potential move this is a very difficult decision to arrive at and our thanks go to Jack Copland and his staff for their efforts during this frustrating period.

Football clubs have survived and prospered over many decades thanks to the full time staff being assisted by both part time assistants and club enthusiasts volunteering to do their best. I would like to thank the following for their efforts during the last year, in no particular order, kit man Jimmy Munro, Doctor Stuart McCormick, physio Karen Stark, jack of all trades Alistair McLaughlan, security advisor and health and safety advisor Bob Money, accountant Stuart Weir, receptionist Kathleen Steel, who regrettably is leaving us later this month and finally the web team of Norrie, Karin and Kenny. I am sure there are many more I should have mentioned and I do apologise, however, you know who you are and we do appreciate your assistance.

I would like to highlight the best community coach in Scottish Football. St Mirren are delighted to have David Longwell working in this capacity. Along with his assistants, David works wonders with his tireless work in the community and is highly regarded by all who come into contact with him whether it is as a young player, parent or fellow coach, he is a credit to the club.

Finally, being a Director of the club is not easy in the current situation and I would thank my fellow board members for their hard work and support.



Stewart Gilmour
Chairman

THE ST MIRREN FOOTBALL CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2003

The directors present their report and financial statements for the year ended 31 May 2003.

Principal activities and review of the business

The principal activity of the company continued to be that of the control and management of The St. Mirren Football Club Limited.

A review of the past year is detailed in the Chairman's Report.

Results and dividends

The results for the year are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

The directors do not recommend payment of a preference dividend.

Future developments

The Boards plan for the future are detailed in the Chairman's Report.

Directors

The following directors have held office since 1 June 2002:

S G Gilmour
G P Campbell
B McAusland
J Lucas
H McGeoch
J Purves
A W Marshall LL.B

In accordance with the company's Articles of Association, G P Campbell and B McAusland retire by rotation and, being eligible, offer themselves for re-election.

17,101 of the shareholding of both J. Lucas and H. McGeoch, and 60 of B. McAusland's shareholding are non-beneficial.

S. Gilmour holds the majority interest in Penalty Sports Limited, which owns 10,000 shares.

B. McAusland holds the majority interest in Alan McAusland & Son Limited, which owns 10,000 shares.

THE ST MIRREN FOOTBALL CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2003

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary of 50p each	
	31 May 2003	1 June 2002
S G Gilmour	14,036	14,036
G P Campbell	20,986	20,991
B McAusland	11,560	11,560
J Lucas	17,151	17,151
H McGeoch	17,270	17,270
J Purves	12,620	12,620
A W Marshall LL.B	5,552	5,552

	Preference of 50p each	
	31 May 2003	1 June 2002
S G Gilmour	-	-
G P Campbell	-	-
B McAusland	-	-
J Lucas	-	-
H McGeoch	-	-
J Purves	-	-
A W Marshall LL.B	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that JRD Partnership be reappointed as auditors of the company will be put to the Annual General Meeting.

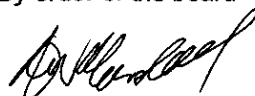
Directors' responsibilities

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 of the profit or loss of the company 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

By order of the board



A W Marshall LL.B

Director

14 October 2003

THE ST MIRREN FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE ST MIRREN FOOTBALL CLUB LIMITED

We have audited the financial statements of The St Mirren Football Club Limited on pages 6 to 20 for the year ended 31 May 2003. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any 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 the directors and auditors

As described in the statement of directors' responsibilities on page 5 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom 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 to you if, in our opinion, the directors' report and Chairman's 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 is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 company's circumstances, 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 the company's affairs as at 31 May 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



JRD Partnership

Registered Auditor

28 October 2003

JRD Partnership
Chartered Accountants
11 Portland Road
Kilmarnock
KA1 2BT

THE ST MIRREN FOOTBALL CLUB LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2003

	Notes	2003 £	2002 £
Turnover	2	1,544,836	1,829,637
Cost of sales		(169,490)	(146,078)
Gross profit		1,375,346	1,683,559
Administrative expenses		(1,404,514)	(1,612,404)
Operating (loss)/profit	3	(29,168)	71,155
Interest payable and similar charges	4	(55,774)	(56,892)
(Loss)/profit on ordinary activities before taxation		(84,942)	14,263
Tax on (loss)/profit on ordinary activities	5	-	-
(Loss)/profit on ordinary activities after taxation	15	(84,942)	14,263

The profit and loss account has been prepared on the basis that all operations are continuing operations.

THE ST MIRREN FOOTBALL CLUB LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MAY 2003

	2003 £	2002 £
(Loss)/profit for the financial year	(84,942)	14,263
Unrealised deficit on revaluation of properties	-	(10,610)
Total recognised gains and losses relating to the year	<u>(84,942)</u>	<u>3,653</u>

THE ST MIRREN FOOTBALL CLUB LIMITED

BALANCE SHEET AS AT 31 MAY 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Intangible assets	6		-		5,000
Tangible assets	7		5,279,383		5,297,248
			<u>5,279,383</u>		<u>5,302,248</u>
Current assets					
Stocks	8	1,358		1,567	
Debtors	9	198,341		194,053	
Cash at bank and in hand		2,713		5,722	
		<u>202,412</u>		<u>201,342</u>	
Creditors: amounts falling due within one year	10	(1,776,188)		(1,689,727)	
Net current liabilities			(1,573,776)		(1,488,385)
Total assets less current liabilities			3,705,607		3,813,863
Creditors: amounts falling due after more than one year	11		(369,694)		(393,008)
Accruals and deferred income	12		(1,766,780)		(1,766,780)
			<u>1,569,133</u>		<u>1,654,075</u>
Capital and reserves					
Called up share capital	14		139,250		139,250
Share premium account	15		1,094,859		1,094,859
Revaluation reserve	15		1,535,024		1,535,024
Profit and loss account	15		(1,200,000)		(1,115,058)
Shareholders' funds	16		<u>1,569,133</u>		<u>1,654,075</u>
Equity interests			1,524,133		1,609,075
Non-equity interests			45,000		45,000
			<u>1,569,133</u>		<u>1,654,075</u>

The financial statements were approved by the Board on 14 October 2003


S G Gilmour
Director

THE ST MIRREN FOOTBALL CLUB LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2003

	2003		2002	
	£	£	£	£
Net cash inflow from operating activities		60,474		71,718
Returns on investments and servicing of finance				
Interest paid	(55,774)		(56,892)	
Net cash outflow for returns on investments and servicing of finance		(55,774)		(56,892)
Capital expenditure				
Payments to acquire intangible assets	-		(10,000)	
Payments to acquire tangible assets	(2,361)		(10,853)	
Receipts from sales of tangible assets	10,498		-	
Net cash inflow/(outflow) for capital expenditure		8,137		(20,853)
Net cash inflow/(outflow) before management of liquid resources and financing		12,837		(6,027)
Financing				
Repayment of other long term loans	(20,008)		(40,844)	
Repayment of other short term loans	-		(27,996)	
Capital element of hire purchase contracts	(25,266)		(11,338)	
Net cash outflow from financing		(45,274)		(80,178)
Decrease in cash in the year		(32,437)		(86,205)

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2003

1	Reconciliation of operating (loss)/profit to net cash inflow from operating activities		2003	2002
			£	£
	Operating (loss)/profit		(29,168)	71,155
	Depreciation of tangible assets		24,600	29,513
	Amortisation of intangible assets		5,000	5,000
	Loss on disposal of tangible assets		1,127	-
	Decrease/(increase) in stocks		209	(306)
	Increase in debtors		(4,288)	(41,666)
	Increase in creditors within one year		62,994	8,022
	Net cash inflow from operating activities		60,474	71,718

2	Analysis of net debt	1 June 2002	Cash flow	Other non-cash changes	31 May 2003
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	5,722	(3,009)	-	2,713
	Bank overdrafts	(685,227)	(29,428)	-	(714,655)
		(679,505)	(32,437)	-	(711,942)
	Debt:				
	Finance leases	(24,833)	25,267	(16,000)	(15,566)
	Debts falling due within one year	(289,008)	-	-	(289,008)
	Debts falling due after one year	(380,001)	20,008	-	(359,993)
		(693,842)	45,275	(16,000)	(664,567)
	Net debt	(1,373,347)	12,838	(16,000)	(1,376,509)

3	Reconciliation of net cash flow to movement in net debt	2003	2002
		£	£
	Decrease in cash in the year	(32,437)	(86,205)
	Cash outflow from decrease in debt and lease financing	45,275	80,178
	Change in net debt resulting from cash flows	12,838	(6,027)
	New finance lease	(16,000)	(12,500)
	Movement in net debt in the year	(3,162)	(18,527)
	Opening net debt	(1,373,347)	(1,354,820)
	Closing net debt	(1,376,509)	(1,373,347)

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

1.2 Compliance with and departure from accounting standards

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

No depreciation has been provided on heritable property as required by Financial Reporting Standard No. 15 and the Companies Act 1985. This policy is adopted by the directors because a programme of work is carried out each year which, in their opinion, maintains the fabric of the heritable property and thus its value. This departure from the accounting standard has increased the reported results by £75,000.

Grants received in respect of expenditure incurred on the construction of the West and East stands are disclosed in the accounts as deferred income. Statement of Standard Accounting Practice No. 4 requires the grant to be credited to the profit and loss account over the useful life of the asset. The directors have not transferred any of these grants because they do not depreciate the heritable property. This departure from the accounting standard has reduced the reported results by £35,336.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 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.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Not provided
Plant and machinery	15% per annum on reducing balance
Fixtures, fittings & equipment	15% per annum on reducing balance
Motor vehicles	25% per annum on reducing balance

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

1 Accounting policies (continued)

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

1.9 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure, except those received towards expenditure on land and buildings, 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 Turnover and (loss)/profit on ordinary activities before taxation

	Turnover	
	2003	2002
	£	£
Class of business		
Football	918,012	1,245,499
Commercial	389,470	332,280
Sports Club	224,756	251,858
Miscellaneous income and expenses	12,598	-
	<u>1,544,836</u>	<u>1,829,637</u>

3 Operating (loss)/profit

	2003	2002
	£	£
Operating (loss)/profit is stated after charging:		
Amortisation of intangible assets	5,000	5,000
Depreciation of tangible assets	24,600	29,513
Loss on disposal of tangible assets	1,127	-
Operating lease rentals	8,138	10,120
Auditors' remuneration	4,200	5,050
	<u></u>	<u></u>

4 Interest payable

	2003	2002
	£	£
On bank loans and overdrafts	39,950	34,724
On other loans wholly repayable within 5 years	13,819	18,382
Hire purchase interest	2,005	3,786
	<u>55,774</u>	<u>56,892</u>

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2003

5 Taxation

The company has estimated losses of £6,110,083 (2002 - £5,938,630) available for carry forward against future trading profits.

On the basis of these financial statements no provision has been made for corporation tax due to the losses brought forward. In addition no provision has been made for deferred tax for the same reason. The revaluation of the freehold land & property does not constitute a timing difference because a new property would be purchased and any profit arising on the sale would be rolled-over into the cost of the new property. Accordingly, no provision has been made for deferred tax in respect of the revaluation.

6 Intangible fixed assets

	Players' registrations £
Cost	
At 1 June 2002 & at 31 May 2003	10,000
Amortisation	
At 1 June 2002	5,000
Charge for the year	5,000
At 31 May 2003	10,000
Net book value	
At 31 May 2003	-
At 31 May 2002	5,000

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

7 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 June 2002	5,150,000	269,138	55,633	39,351	5,514,122
Additions	-	2,361	-	16,000	18,361
Disposals	-	-	-	(15,500)	(15,500)
At 31 May 2003	5,150,000	271,499	55,633	39,851	5,516,983
Depreciation					
At 1 June 2002	-	184,259	17,521	15,094	216,874
On disposals	-	-	-	(3,875)	(3,875)
Charge for the year	-	13,049	5,717	5,835	24,601
At 31 May 2003	-	197,308	23,238	17,054	237,600
Net book value					
At 31 May 2003	5,150,000	74,191	32,395	22,797	5,279,383
At 31 May 2002	5,150,000	84,879	38,112	24,257	5,297,248

The freehold land and buildings were valued on 30th May 2000 by James Barr, Chartered Surveyors, in accordance with the RICS Appraisal and Valuation Manual on a depreciated replacement cost basis. The property valued at £5.15m.

The heritable property had previously been valued on 11th August 1991 at £2m on an alternative use basis and on 11th August 1995 at £4.13m on an existing use basis.

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 1 June 2002 & at 31 May 2003	3,835,332
Depreciation based on cost	
At 1 June 2002	831,252
Charge for the year	74,865
At 31 May 2003	906,117
Net book value	
At 31 May 2003	2,929,215
At 31 May 2002	3,004,080

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

7 Tangible fixed assets

(continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Motor vehicles £	Total £
Net book values			
At 31 May 2003	-	19,425	19,425
At 31 May 2002	10,529	19,158	29,687
Depreciation charge for the year			
31 May 2003	-	4,711	4,711
31 May 2002	1,858	6,386	8,244

8 Stocks

	2003 £	2002 £
Finished goods and goods for resale	1,358	1,567

9 Debtors

	2003 £	2002 £
Trade debtors	23,497	19,649
Called up share capital not paid	260	260
Other debtors	4,141	3,981
Prepayments and accrued income	170,443	170,163
	198,341	194,053

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

10 Creditors: amounts falling due within one year	2003 £	2002 £
Bank loans and overdrafts	714,655	685,227
Net obligations under hire purchase contracts	5,865	11,826
Trade creditors	139,008	130,720
Taxes and social security costs	48,641	73,597
Other creditors	579,550	579,399
Accruals and deferred income	288,469	208,958
	<u>1,776,188</u>	<u>1,689,727</u>
Debt due in one year or less	<u>289,008</u>	<u>289,008</u>

The bank overdraft of £714,655 (2002 - £685,227) is secured by a standard security over St. Mirren Park, Love Street, Paisley (subject to ranking agreement) together with a floating charge over the assets of the company. In addition to this S G Gilmour, G P Campbell, B McAusland, K D McGeoch, James Purves and Allan Marshall have given a personal guarantee of £25,000 each.

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand. The company expects to operate within the facility currently agreed and within that expected to be agreed on 31st January 2004, when the company's bankers are due to consider its renewal for a further year. These views are based on the company's plans and on the successful outcome of discussions with the company's bankers.

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

11 Creditors: amounts falling due after more than one year	2003	2002
	£	£
Other loans	359,993	380,001
Net obligations under hire purchase contracts	9,701	13,007
	<u>369,694</u>	<u>393,008</u>
Analysis of loans		
Wholly repayable within five years	649,001	669,009
	<u>649,001</u>	<u>669,009</u>
Included in current liabilities	(289,008)	(289,008)
	<u>359,993</u>	<u>380,001</u>
Loan maturity analysis		
In more than one year but not more than two years	20,000	20,000
In more than two years but not more than five years	339,993	360,001
	<u>359,993</u>	<u>380,001</u>
 <i>The loan from Renfrewshire Council bears interest at bank base rate and is repayable in twice yearly installments of £75,000.</i>		
 <i>The loan from Renfrewshire Enterprise bears interest at 9% per annum and is repayable in quarterly installments of £7,000.</i>		
 <i>The loan from Barr Construction is interest free and is repayable in monthly installments of £15,000.</i>		
 <i>The loans from the Football Trust are interest free and are repayable by quarterly installments of £5,000 and by monthly installments of £1,647.</i>		
 <i>The remainder of the loans are interest free and have no set date of repayment.</i>		
Net obligations under hire purchase contracts		
Repayable within one year	5,865	11,826
Repayable between one and five years	9,701	13,007
	<u>15,566</u>	<u>24,833</u>
Included in liabilities falling due within one year	(5,865)	(11,826)
	<u>9,701</u>	<u>13,007</u>

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

12 Accruals and deferred income

	Government grants £
Balance at 1 June 2002 & at 31 May 2003	1,766,780

13 Pension costs

Defined contribution

	2003 £	2002 £
Contributions payable by the company for the year	600	1,801

14 Share capital

	2003 £	2002 £
Authorised		
520,000 Ordinary of 50p each	260,000	260,000
700,000 Preference of 50p each	350,000	350,000
	<u>610,000</u>	<u>610,000</u>
Allotted, called up and fully paid		
188,500 Ordinary of 50p each	94,250	94,250
90,000 Preference of 50p each	45,000	45,000
	<u>139,250</u>	<u>139,250</u>

The preference shares were redeemable at £1.10 per share on 31st December 2002, or on such dates as the company may determine by ordinary resolution. The preference shares do not carry any rights to receive a dividend, either by way of a fixed return or by participation in a distribution of profits of the company.

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

15 Statement of movements on reserves

	Share premium account £	Revaluation reserve £	Profit and loss account £
Balance at 1 June 2002	1,094,859	1,535,024	(1,115,058)
Retained loss for the year	-	-	(84,942)
Balance at 31 May 2003	<u>1,094,859</u>	<u>1,535,024</u>	<u>(1,200,000)</u>

16 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
(Loss)/Profit for the financial year	(84,942)	14,263
Other recognised gains and losses	-	(10,610)
Net (depletion in)/addition to shareholders' funds	<u>(84,942)</u>	<u>3,653</u>
Opening shareholders' funds	1,654,075	1,650,422
Closing shareholders' funds	<u>1,569,133</u>	<u>1,654,075</u>

17 Financial commitments

At 31 May 2003 the company had annual commitments under non-cancellable operating leases as follows:

	2003 £	2002 £
Expiry date:		
Within one year	833	2,048
Between two and five years	-	2,352
	<u>833</u>	<u>4,400</u>

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2003 Number	2002 Number
Players	44	45
Management and administration	16	16
	<u>60</u>	<u>61</u>

Employment costs

	£	£
Wages and salaries	905,461	1,179,148
Social security costs	74,876	121,925
Other pension costs	600	1,801
	<u>980,937</u>	<u>1,302,874</u>