

THE ST MIRREN FOOTBALL CLUB LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 1999

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THE ST MIRREN FOOTBALL CLUB LIMITED

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THE ST MIRREN FOOTBALL CLUB LIMITED

AUDITORS' REPORT TO THE ST MIRREN FOOTBALL CLUB LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 6, together with the financial statements of the company for the year ended 31 May 1999 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.

Other information

On 7 September 1999 we reported, as auditors of THE ST MIRREN FOOTBALL CLUB LIMITED, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 May 1999, and our audit report was as follows:

"We have audited the financial statements on pages 6 to 14 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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.

THE ST MIRREN FOOTBALL CLUB LIMITED

AUDITORS' REPORT TO THE ST MIRREN FOOTBALL CLUB LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

Qualified opinion arising from disagreement about accounting treatment

As stated in note 1 of the financial statements the company credits grants received against the cost of the assets to which they relate. Paragraph 17 of Schedule 4 of the Companies Act 1985 requires that the amount be included in the balance sheet in respect of any fixed asset shall be its purchase price or production cost. On this basis the value of the heritable property is understated by £1m and deferred income is understated by £1.4m.

As stated in note 1 of the financial statements, the company has made no provision for depreciation of heritable property in the year which would otherwise have amounted to £62,600. Paragraph 18 of Schedule 4 of the Companies Act 1985 requires any fixed asset which has a limited useful economic life to be depreciated. In our opinion, therefore, provision should have been made for depreciation of the heritable property."



JRD Partnership

Registered Auditor

7 September 1999

JRD Partnership
Chartered Accountants
11 Portland Road
KILMARNOCK
KA1 2BT

THE ST MIRREN FOOTBALL CLUB LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 MAY 1999

	Notes	1999 £	£	1998 £	£
Fixed assets					
Tangible assets	2		3,191,400		3,198,825
Current assets					
Stocks		6,810		1,600	
Debtors		290,482		236,492	
Cash at bank and in hand		110,290		5,105	
		<u>407,582</u>		<u>243,197</u>	
Creditors: amounts falling due within one year		<u>(1,660,696)</u>		<u>(2,192,301)</u>	
Net current liabilities			<u>(1,253,114)</u>		<u>(1,949,104)</u>
Total assets less current liabilities			1,938,286		1,249,721
Creditors: amounts falling due after more than one year	3		<u>(520,860)</u>		<u>(811,827)</u>
			<u>1,417,426</u>		<u>437,894</u>
Capital and reserves					
Called up share capital	4		145,000		85,000
Share premium account			930,000		390,000
Revaluation reserve			1,526,725		1,526,725
Profit and loss account			<u>(1,184,299)</u>		<u>(1,563,831)</u>
Shareholders' funds			<u>1,417,426</u>		<u>437,894</u>
Equity interests			1,352,426		372,894
Non-equity interests			65,000		65,000
			<u>1,417,426</u>		<u>437,894</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board on 7 September 1999



S G Gilmour
Director

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 1999

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.

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand.

The nature of the company's business is such that there can be considerable unpredictable variation in the timing of cash inflows. The directors have prepared projected cash flow information for the period to January 2000. On the basis of this cash flow information and discussions with the company's bankers, the directors consider that the company will continue to operate within the facility currently agreed and within that which they expect will be agreed when the company's bankers are due to consider renewing the facility.

However, the margin of facilities over requirements is not large and, inherently there can be no certainty in relation to these matters. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the overdraft facility by the company's bankers.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

No depreciation has been provided on heritable property as required by Statement of Standard Accounting Practice No 12 and the Companies Act 1985. This departure from the accounting standards has reduced the reported profit by £62,600.

The grants received from the Football Trust 1990 in respect of expenditure incurred to comply with the requirements of the safety of Sports Ground Act 1975 and the Taylor Report recommendations have been deducted from the cost of the asset to which they relate. The reduction in the cost contravenes the requirements of paragraph 17 of Schedule 4 of the Companies Act 1985.

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and buildings 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

1.4 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.

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 1999

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

1.5 Stock

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

1.6 Pensions

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

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Fixed assets

	Tangible assets £
Cost or valuation	
At 1 June 1998	3,381,189
Additions	8,294
Disposals	(4,500)
At 31 May 1999	<u>3,384,983</u>
Depreciation	
At 1 June 1998	182,362
On disposals	(1,477)
Charge for the year	12,698
At 31 May 1999	<u>193,583</u>
Net book value	
At 31 May 1999	<u>3,191,400</u>
At 31 May 1998	<u><u>3,198,825</u></u>

3 Creditors: amounts falling due after more than one year	1999	1998
	£	£
Analysis of loans repayable in more than five years		
Not wholly repayable within five years by instalments	-	8,000
	<u> </u>	<u> </u>

The aggregate amount of creditors for which security has been given amounted to £1,422,372 (1998 - £1,676,421).

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NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 1999

4	Share capital	1999 £	1998 £
	Authorised		
	160,000 Ordinary Shares of 50p each	80,000	80,000
	350,000 Redeemable Preference Shares of £1 each	350,000	350,000
		<u>430,000</u>	<u>430,000</u>
	Allotted, called up and fully paid		
	160,000 Ordinary Shares of 50p each	80,000	20,000
	65,000 Redeemable Preference Shares of £1 each	65,000	65,000
		<u>145,000</u>	<u>85,000</u>

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