

Company Registration No. SC05773 (Scotland)

THE ST MIRREN FOOTBALL CLUB LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2002



THE ST MIRREN FOOTBALL CLUB LIMITED

COMPANY INFORMATION

Directors	S G Gilmour G P Campbell B McAusland J Lucas H McGeoch J Purves
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 PA1 1BH
Solicitors	Dale & Marshall 18 Wallace Street Glasgow 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-sixth 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 1st December 2002 at 3pm for the following purposes:-

1. To receive the Annual Report and Accounts for the year ended 31st May 2002 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 component business.

Dated the 4th November 2002

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 2002

Financial

The accounts show a small trading profit, but a negative movement in funds arises due to the repayment of loans. Our most worrying factor is our cash flow position. The bank overdraft is increasing due to the repayment of these loans. We are a Club still managing to balance our books, a rarity in Scottish Football, although it has to be recognised that this is becoming more difficult each year in the Scottish League with little or no transfer income and without TV money.

As reported last year our long term debt is the major problem. We are addressing this problem now to help the future development of the Club. In the past St. Mirren Football Club has relied, and indeed thrived, on a steady inflow of transfer income and from a reasonable share of TV deals. These sources of income are not available to us any more and other solutions must be sought to reduce our debt. The Board of Directors recognise that realising the capital value of St Mirren Park is the most likely and financially sound route to go. This does involve, regrettably, the Club moving to another site in Paisley, however, the reduction in our debt makes this a pill we shall have to swallow. Positively, it gives us the opportunity to build a new main stand, which currently is a problem in our commercial activities.

Football Activities

Last season was extremely disappointing and was a total under-achievement from a squad of players most of whom had Premier League experience. In order to make our books balance, reductions have been made in our squad. This is a sign of the future in the Scottish Football League. At this time the position of the Team Manager is sub judice and I am unable to comment on this matter at the time of writing. However, I can assure the shareholders and supporters that the Board is taking every step it can to protect the interests of the Club through a very difficult period. John Coughlin, ably assisted by Arthur Bell, Matt Kerr and Jack Copland have coped very well in guiding us through this period, returning to our roots of young St. Mirren players. As you can see from the effort in matches the players have responded well to this and the younger players have taken this opportunity to show their qualities, while we are still experiencing an injury list of senior players we could well do without.

Commercial Activities

The commercial department have performed very well, despite our on park performances. Campbell Kennedy and Jim Crawford are to be congratulated on their achievements. The contracts that Campbell has entered into on behalf of the Club are excellent for a Club in the Scottish Football League. I often get annoyed when I hear some of the knocking Campbell receives from alleged supporters. Rarely do these people come forward with a direct contract or offer to assist the Club. In a recent survey by Sport Scotland over 90% of all sponsorship in sport comes from personal contacts.

Sports & Leisure Complex

Another successful year has been achieved by this department. They operate in a very competitive market against local council facilities and of course, top quality private companies. However, the facility provides the club with an excellent in house training training and coaching facility which is well used by supporters, members and our Community Coach. Regrettably this department is in need of some investment to upgrade its facilities and due to our current cash flow problemsthis has been unable to be carried out. Our thanks go to Jack Copland and his staff for their efforts in the Sports Centre.

THE ST MIRREN FOOTBALL CLUB LIMITED


CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 MAY 2002

General

It is changing times in football and as you are well aware everybody is wary of change. I would like to thank all our staff for the positive manner in which they have worked through the changes and thank them for their continued support.

There are many people to thank for their efforts at the Club: my fellow Directors; the Doctor, Stuart McCormick; Peter Copland; Alistair McLaughlan; our new physiotherapist, Karen Stark; Tommy Docherty; Karin, Norrie and Kenny our Web Site Team, and many whom I am sure I have omitted, I do apologise, thank you all for your assistance in the last year.

As stated these are changing times and your Board of Directors is very aware of this, dealing, as we do, with the challenges they throw up on a daily basis. May we thank you for your support and let us look forward to a very positive future for St. Mirren Football Club.



Stewart Gilmour
Chairman

THE ST MIRREN FOOTBALL CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2002

The directors present their report and financial statements for the year ended 31 May 2002.

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 7.

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 2001:

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

In accordance with the company's Articles of Association, H McGeoch and J Purves retire by rotation and, being eligible, offer themselves for re-election. In accordance with the Companies Act 1985, Mr A Marshall, having been appointed to the Board of Directors since the last Annual General Meeting, retires and being eligible offers himself 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 2002

Directors' interests

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

	Ordinary of 50p each	
	31 May 2002	1 June 2001
S G Gilmour	14,036	14,036
G P Campbell	20,991	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

	Preference of 50p each	
	31 May 2002	1 June 2001
S G Gilmour	-	-
G P Campbell	-	-
B McAusland	-	-
J Lucas	-	-
H McGeoch	-	-
J Purves	-	-

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

Secretary

2 October 2002

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 7 to 21 for the year ended 31 May 2002. 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.

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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


JRD Partnership

Registered Auditor

25 October 2002

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 2002

	Notes	2002 £	2001 £
Turnover	2	1,829,637	2,840,659
Cost of sales		(146,078)	(300,794)
Gross profit		1,683,559	2,539,865
Administrative expenses		(1,612,404)	(2,452,424)
Other operating income		-	3,540
Operating profit	3	71,155	90,981
Interest payable and similar charges	4	(56,892)	(37,327)
Profit on ordinary activities before taxation		14,263	53,654
Tax on profit on ordinary activities	5	-	-
Profit on ordinary activities after taxation	15	14,263	53,654

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 2002

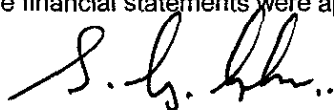
	2002	2001
	£	£
Profit for the financial year	14,263	53,654
Unrealised deficit on revaluation of properties	(10,610)	-
Total recognised gains and losses relating to the year	<u>3,653</u>	<u>53,654</u>

THE ST MIRREN FOOTBALL CLUB LIMITED

BALANCE SHEET AS AT 31 MAY 2002

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Intangible assets	6		5,000		-
Tangible assets	7		5,297,248		5,288,408
			<u>5,302,248</u>		<u>5,288,408</u>
Current assets					
Stocks	8	1,567		1,261	
Debtors	9	194,053		152,387	
Cash at bank and in hand		5,722		8,586	
		<u>201,342</u>		<u>162,234</u>	
Creditors: amounts falling due within one year	10	<u>(1,689,727)</u>		<u>(1,598,914)</u>	
Net current liabilities			<u>(1,488,385)</u>		<u>(1,436,680)</u>
Total assets less current liabilities			3,813,863		3,851,728
Creditors: amounts falling due after more than one year	11		(393,008)		(434,526)
Accruals and deferred income	12		<u>(1,766,780)</u>		<u>(1,766,780)</u>
			<u>1,654,075</u>		<u>1,650,422</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		1,545,634
Profit and loss account	15		<u>(1,115,058)</u>		<u>(1,129,321)</u>
Shareholders' funds	16		<u>1,654,075</u>		<u>1,650,422</u>
Equity interests			1,609,075		1,605,422
Non-equity interests			45,000		45,000
			<u>1,654,075</u>		<u>1,650,422</u>

The financial statements were approved by the Board on 2 October 2002



S G Gilmour
Director

THE ST MIRREN FOOTBALL CLUB LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2002

	2002		2001	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		71,718		(26,205)
Returns on investments and servicing of finance				
Interest paid	(56,892)		(37,327)	
Net cash outflow for returns on investments and servicing of finance		(56,892)		(37,327)
Capital expenditure				
Payments to acquire intangible assets	(10,000)		-	
Payments to acquire tangible assets	(10,853)		(87,148)	
Net cash outflow for capital expenditure		(20,853)		(87,148)
Net cash outflow before management of liquid resources and financing		(6,027)		(150,680)
Financing				
Repayment of other long term loans	(40,844)		(130,244)	
Repayment of other short term loans	(27,996)		(5,760)	
Capital element of hire purchase contracts	(11,338)		(11,392)	
Net cash outflow from financing		(80,178)		(147,396)
Decrease in cash in the year		(86,205)		(298,076)

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2002

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2002 £	2001 £
	Operating profit	71,155	90,981
	Depreciation of tangible assets	29,513	25,818
	Amortisation of intangible assets	5,000	-
	Loss on disposal of tangible assets	-	2,713
	(Increase)/decrease in stocks	(306)	3,621
	Increase in debtors	(41,666)	(5,294)
	Increase/(decrease) in creditors within one year	8,022	(144,044)
	Net cash inflow/(outflow) from operating activities	71,718	(26,205)

2	Analysis of net debt	1 June 2001 £	Cash flow £	Other non-cash changes £	31 May 2002 £
	Net cash:				
	Cash at bank and in hand	8,586	(2,864)	-	5,722
	Bank overdrafts	(601,886)	(83,341)	-	(685,227)
		<u>(593,300)</u>	<u>(86,205)</u>	<u>-</u>	<u>(679,505)</u>
	Debt:				
	Finance leases	(23,671)	11,338	(12,500)	(24,833)
	Debts falling due within one year	(317,004)	27,996	-	(289,008)
	Debts falling due after one year	(420,845)	40,844	-	(380,001)
		<u>(761,520)</u>	<u>80,178</u>	<u>(12,500)</u>	<u>(693,842)</u>
	Net debt	(1,354,820)	(6,027)	(12,500)	(1,373,347)

3	Reconciliation of net cash flow to movement in net debt	2002 £	2001 £
	Decrease in cash in the year	(86,205)	(298,076)
	Cash outflow from decrease in debt and lease financing	80,178	147,396
		<u>(6,027)</u>	<u>(150,680)</u>
	Change in net debt resulting from cash flows	(6,027)	(150,680)
	New finance lease	(12,500)	(14,574)
		<u>(18,527)</u>	<u>(165,254)</u>
	Movement in net debt in the year	(18,527)	(165,254)
	Opening net debt	(1,354,820)	(1,189,566)
	Closing net debt	(1,373,347)	(1,354,820)

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2002

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 2002

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 profit on ordinary activities before taxation

	Turnover	
	2002	2001
	£	£
Class of business		
Football	1,245,512	2,079,779
Commercial	332,280	512,058
Sports Club	251,858	248,822
	<u>1,829,650</u>	<u>2,840,659</u>

3 Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	5,000	-
Depreciation of tangible assets	29,513	25,818
Loss on disposal of tangible assets	-	2,713
Operating lease rentals	10,120	35,487
Auditors' remuneration	5,050	4,900
and after crediting:		
Government grants	-	3,540
	<u>-</u>	<u>3,540</u>

4 Interest payable

	2002	2001
	£	£
On bank loans and overdrafts	34,724	20,677
On other loans wholly repayable within 5 years	18,382	9,290
Hire purchase interest	3,786	4,349
On overdue tax	-	3,011
	<u>56,892</u>	<u>37,327</u>

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

5 Taxation

Current tax charge	-	-
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	14,263	53,654
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2001 : 0.00%)	-	-
Effects of:		
Non deductible expenses	6,881	-
Depreciation	6,903	-
Capital allowances	(8,933)	-
Other tax adjustments	(4,851)	-
Current tax charge	-	-

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 2001	-
Additions	10,000
At 31 May 2002	10,000
Amortisation	
At 1 June 2001	-
Charge for the year	5,000
At 31 May 2002	5,000
Net book value	
At 31 May 2002	5,000
At 31 May 2001	-

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

7 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 June 2001	5,150,000	253,228	54,685	17,856	5,475,769
Additions	10,610	15,910	948	21,495	48,963
Revaluation	(10,610)	-	-	-	(10,610)
At 31 May 2002	5,150,000	269,138	55,633	39,351	5,514,122
Depreciation					
At 1 June 2001	-	169,357	10,795	7,209	187,361
Charge for the year	-	14,902	6,726	7,885	29,513
At 31 May 2002	-	184,259	17,521	15,094	216,874
Net book value					
At 31 May 2002	5,150,000	84,879	38,112	24,257	5,297,248
At 31 May 2001	5,150,000	83,871	43,890	10,647	5,288,408

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 2001 & at 31 May 2002	3,835,332
Depreciation based on cost	
At 1 June 2001	756,387
Charge for the year	74,865
At 31 May 2002	831,252
Net book value	
At 31 May 2002	3,004,080
At 31 May 2001	3,078,945

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

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 2002	10,529	19,158	29,687
At 31 May 2001	16,073	10,044	26,117
Depreciation charge for the year			
31 May 2002	1,858	6,386	8,244
31 May 2001	2,836	3,348	6,184

8 Stocks

	2002 £	2001 £
Finished goods and goods for resale	1,567	1,261

9 Debtors

	2002 £	2001 £
Trade debtors	19,649	15,418
Called up share capital not paid	260	260
Other debtors	3,981	157
Prepayments and accrued income	170,163	136,552
	194,053	152,387

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

10 Creditors: amounts falling due within one year	2002 £	2001 £
Bank loans and overdrafts	685,227	601,886
Net obligations under hire purchase contracts	11,826	9,990
Trade creditors	130,720	87,744
Taxes and social security costs	73,597	67,701
Other creditors	579,399	607,936
Accruals and deferred income	208,958	223,657
	<u>1,689,727</u>	<u>1,598,914</u>
Debt due in one year or less	<u>289,008</u>	<u>317,004</u>

The bank overdraft of £685,227 (2001 - £601,886) 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 2003, 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 2002

11 Creditors: amounts falling due after more than one year	2002 £	2001 £
Other loans	380,001	420,845
Net obligations under hire purchase contracts	13,007	13,681
	<u>393,008</u>	<u>434,526</u>
Analysis of loans		
Wholly repayable within five years	669,009	737,849
	<u>669,009</u>	<u>737,849</u>
Included in current liabilities	(289,008)	(317,004)
	<u>380,001</u>	<u>420,845</u>
Loan maturity analysis		
In more than one year but not more than two years	20,000	90,000
In more than two years but not more than five years	360,001	330,845
	<u>380,001</u>	<u>420,845</u>

The loan from Renfrewshire Council bears interest at bank base rate and is repayable in twice yearly installments of £75,000.

The loan from Renfrewshire Enterprise bears interest at 9% per annum and is repayable in quarterly installments of £7,000.

The loan from Barr Construction is interest free and is repayable in monthly installments of £15,000.

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.

The remainder of the loans are interest free and have no set date of repayment.

Net obligations under hire purchase contracts

Repayable within one year	11,826	9,990
Repayable between one and five years	13,007	13,681
	<u>24,833</u>	<u>23,671</u>
Included in liabilities falling due within one year	(11,826)	(9,990)
	<u>13,007</u>	<u>13,681</u>

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

12 Accruals and deferred income

	Government grants £
Balance at 1 June 2001 & at 31 May 2002	1,766,780

13 Pension costs

Defined contribution

	2002 £	2001 £
Contributions payable by the company for the year	1,801	1,821

14 Share capital

	2002 £	2001 £
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 are 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 2002

15 Statement of movements on reserves

	Share premium account £	Revaluation reserve £	Profit and loss account £
Balance at 1 June 2001	1,094,859	1,545,634	(1,129,321)
Retained profit for the year	-	-	14,263
Revaluation during the year	-	(10,610)	-
Balance at 31 May 2002	<u>1,094,859</u>	<u>1,535,024</u>	<u>(1,115,058)</u>

16 Reconciliation of movements in shareholders' funds

	2002 £	2001 £
Profit for the financial year	14,263	53,654
Other recognised gains and losses	(10,610)	-
Net addition to shareholders' funds	<u>3,653</u>	<u>53,654</u>
Opening shareholders' funds	1,650,422	1,596,768
Closing shareholders' funds	<u>1,654,075</u>	<u>1,650,422</u>

17 Financial commitments

At 31 May 2002 the company had annual commitments under non-cancellable operating leases as follows:

	2002 £	2001 £
Expiry date:		
Within one year	2,048	2,048
Between two and five years	2,352	7,056
	<u>4,400</u>	<u>9,104</u>

THE ST MIRREN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

18 Employees

Number of employees

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

	2002 Number	2001 Number
Players	45	56
Management and administration	16	17
	<u>61</u>	<u>73</u>

Employment costs

	£	£
Wages and salaries	1,179,148	1,798,593
Social security costs	121,925	176,367
Other pension costs	1,801	1,821
	<u>1,302,874</u>	<u>1,976,781</u>