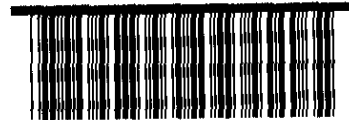


**Company Registration No. SC149117 (Scotland)**

**Inverness Thistle and Caledonian F. C. plc**

**Directors' Report and Financial Statements**

**For The Year Ended 31 May 2003**



**SCT    SNCATPN6    0329**  
**COMPANIES HOUSE    31/10/03**

# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

## COMPANY INFORMATION

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<b>Directors</b>	Ken Mackie Ian A MacDonald Graeme Bennett Alexander G M Catto Ken Cameron
<b>Secretary</b>	Ken Mackie
<b>Company number</b>	SC149117
<b>Registered office</b>	Caledonian Stadium Stadium Road Inverness IV1 1FF
<b>Auditors</b>	Johnston Carmichael Nevis House Beechwood Park Inverness IV2 3BW
<b>Business address</b>	Caledonian Stadium Stadium Road Inverness IV1 1FF
<b>Bankers</b>	Bank of Scotland 9 High Street Inverness IV1 1JB
<b>Solicitors</b>	MacArthur & Co 7 Ardross Street Inverness IV3 5PL  Ledingham Chalmers Kintail House Beechwood Park Inverness IV2 3BW

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# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

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## **INVERNESS THISTLE AND CALEDONIAN F.C. PLC.**

### **CHAIRMAN'S REPORT FOR YEAR TO 31 MAY 2003**

The Financial Year to 31 May has seen considerable change in the Club's fortunes. The share receipt of £529,100 (£500,000 from Tulloch Limited) and loan of £20,000 enabled the Club to clear its long standing debts, repay a loan, carry out some ground repairs and to have financial stability. The financial situation was improved by cup runs in the CIS Cup and the Tennents Scottish Cup, the later ending in a Semi Final played at Hampden Park. The Financial Year ended with a profit of £129,711 which is a welcome turn round and sets a target for the future. The maintenance of capital balance, as was reported at last year's EGM, has, significantly improved. The shortfall having fallen from £925,806 to £531,545.

The Board saw changes during the year with the addition of Kenny Cameron and the departure of Roy MacLennan. Roy did a power of work on the commercial side of the business and I was sorry when he indicated that he wished to stand down. Thank you for your input Roy and best wishes for your future. Kenny has also put in a enormous amount of time and effort since he joined the Board as have Ian, Sandy and Graham over the years. All have to be thanked for their time and efforts.

I started by mentioning change and of course 2002 saw the departure of our long standing Management Team of Steve Paterson and Duncan Shearer. Thank you for all you both did for the Club and best wishes with your task at Aberdeen. A warm welcome is extended to the "New Team" of John Robertson and Donald Park, who have enthusiastically taken on the management task and are gradually putting their stamp on the playing side and on the development of young players. We wish you well in leading the teams to new highs.

The year saw the first team reach the quarter final of the CIS Cup, the semi final of the Tennents Scottish Cup and for the first time top the First Division of the Scottish League finishing a creditable fourth at the end of the season. This was achieved with a tight full time squad who were helped in fitness terms by Physiotherapist Emily Goodlad and Doctors John MacAskill, Ian Smith and Derek MacLeod. Doc. MacAskill unfortunately passed away following a short illness. He was the regular doctor attending home and away matches and a true supporter of the Club. He will be sorely missed and condolences are passed to his widow and his family.

The playing staff was added to in January by the signing of Steve Hislop and depleted at the end of the season by the departure of Dennis Wyness and the transfer of Barry Robson. New signings have been added to the pool following the end of the Season and in preparation for a fresh campaign.

Change has been a theme of this report and change will continue. It is said the only certainty in life is change and this does seem to hold true. The Board, however, is looking for stability and ways of achieving Scottish Premier League status. The latter is not going to be easily achieved with a 10,000 all seated and covered Stadium a requirement to meet Safety and SPL standards. Discussions continue in order to find a way forward with this requirement.



Ken Mackie  
Chairman  
15 September 2003

# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2003

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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 during the year was the running and promotion of a professional football club. A review of the year is contained in the Chairman's report.

### Results and dividends

The results for the year are set out on page 5.

The directors do not recommend payment of a final dividend.

### Payment of creditors

It is the company's policy to pay creditors in line with terms and conditions agreed with individual suppliers. At the year end trade creditors outstanding represented 29 creditor days.

### Directors

The following directors have held office since 1 June 2002:

Ken Mackie	
Roy G McLennan	(Resigned 14 May 2003)
Ian A MacDonald	
Graeme Bennett	
Alexander G M Catto	
Ken Cameron	

### Directors' interests

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

	Ordinary shares of £1 each	
	31 May 2003	1 June 2002
Ken Mackie	250	250
Ian A MacDonald	1,000	1,000
Graeme Bennett	3,850	750
Alexander G M Catto	30,000	9,000
Ken Cameron	-	-

Included in the shareholding of Roy G McLennan are shares owned by a company in which he has a controlling interest. Ken Cameron is a director of Tulloch Limited who own 34.8% of the ordinary share capital. No director has an interest in the company's "A", "B" or "C" ordinary shares.

### Major interests in shares

In accordance with sections 198 to 208 of the Companies Act 1985 the company has been notified of the following interests in shares at 31 May 2003. Ordinary £1 shares: Tulloch Limited 34.8% (with 29.98% voting rights); Ian Fraser 22.76%; D McGilivray 5%, Roderick Ross 4.2%; Roy McLennan 2.7%. "A" Ordinary £1 shares: Caledonian Football Club, 100%. "B" Ordinary £1 shares: Inverness Thistle Football Club. "C" Ordinary £1 shares: Inverness & Nairn Enterprise, 100%. All shares are held directly and indirectly by the noted individuals/organisations.

### Auditors

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

# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2003

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### **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.

On behalf of the board

.....

Ken Mackie

Director

15 September 2003

# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

## INDEPENDENT AUDITORS' REPORT

### TO THE SHAREHOLDERS OF INVERNESS THISTLE AND CALEDONIAN F. C. PLC

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We have audited the financial statements of Inverness Thistle and Caledonian F. C. plc on pages 5 to 18 for the year ended 31 May 2003. These financial statements have been prepared under the historical cost convention 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 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 3 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 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 profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Johnston Carmichael

Chartered Accountants and  
Registered Auditor

15 September 2003

Nevis House  
Beechwood Park  
Inverness  
IV2 3BW

# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2003

	Notes	2003 £	2002 £
<b>Turnover</b>	<b>2</b>	1,567,142	986,549
Administrative expenses		(1,448,910)	(1,292,742)
Other operating income		5,780	18,995
<b>Operating profit/(loss)</b>	<b>3</b>	124,012	(287,198)
Profit on sale of fixed assets	<b>3</b>	-	40,682
<b>Profit/(loss) on ordinary activities before interest</b>		124,012	(246,516)
Other interest receivable and similar income		7,513	2,270
Interest payable and similar charges	<b>4</b>	(1,814)	(27,853)
<b>Profit/(loss) on ordinary activities before taxation</b>		129,711	(272,099)
Tax on profit/(loss) on ordinary activities	<b>5</b>	-	-
<b>Profit/(loss) on ordinary activities after taxation</b>	<b>15</b>	129,711	(272,099)

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

There are no recognised gains and losses other than those passing through the profit and loss account in the year. In 2002 other recognised gains and losses were comprised of a release from the revaluation reserve of £82,656 and share issue costs of £22,246 which were charged to the share premium account.




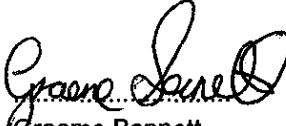
# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

## BALANCE SHEET AS AT 31 MAY 2003

	Notes	2003 £	£	2002 £	£
<b>Fixed assets</b>					
Intangible assets	6		9,667		-
Tangible assets	7		273,437		291,964
Investments	8		1		1
			<u>283,105</u>		<u>291,965</u>
<b>Current assets</b>					
Stocks	9	9,373		7,843	
Debtors	10	430,196		99,651	
Cash at bank and in hand		275,162		27,531	
		<u>714,731</u>		<u>135,025</u>	
<b>Creditors: amounts falling due within one year</b>	11	(219,117)		(293,008)	
<b>Net current assets/(liabilities)</b>			<u>495,614</u>		<u>(157,983)</u>
<b>Total assets less current liabilities</b>			<u>778,719</u>		<u>133,982</u>
<b>Creditors: amounts falling due after more than one year</b>	12		(24,058)		(32,352)
<b>Accruals and deferred income</b>	13		(3,715)		(9,495)
			<u>750,946</u>		<u>92,135</u>
<b>Capital and reserves</b>					
Called up share capital	14	2,564,981		2,035,881	
Share premium account	15	69,406		69,406	
Profit and loss account	15	(1,883,441)		(2,013,152)	
<b>Shareholders' funds - equity interests</b>	16		<u>750,946</u>		<u>92,135</u>

The financial statements were approved by the Board on 15 September 2003

  
Ken Mackie  
Director

  
Graeme Bennett  
Director

# **INVERNESS THISTLE AND CALEDONIAN F. C. PLC**

## **CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2003**

	2003		2002	
	£	£	£	£
<b>Net cash outflow from operating activities</b>		(207,944)		(346,237)
<b>Returns on investments and servicing of finance</b>				
Interest received	7,513		2,270	
Interest paid	(1,814)		(27,853)	
<b>Net cash inflow/(outflow) for returns on investments and servicing of finance</b>		5,699		(25,583)
<b>Taxation</b>		-		(6,910)
<b>Capital expenditure and financial investment</b>				
Payments to acquire intangible assets	(16,000)		-	
Payments to acquire tangible assets	(4,643)		-	
Receipts from sales of tangible assets	3,000		2,596,053	
Receipts from sales of investments	-		2	
<b>Net cash (outflow)/inflow for capital expenditure</b>		(17,643)		2,596,055
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>		(219,888)		2,217,325
<b>Financing</b>				
Issue of ordinary share capital	529,100		71,900	
Cost of share issue	-		(22,246)	
<b>Issue of shares</b>	529,100		49,654	
Other new long term loans	20,000		-	
Repayment of other long term loans	(27,500)		(5,000)	
Capital element of hire purchase contracts	(5,794)		(10,379)	
<b>Decrease in debt</b>	(13,294)		(15,379)	
<b>Net cash inflow from financing</b>		515,806		34,275
<b>Increase in cash in the year</b>		295,918		2,251,600

# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

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

1	Reconciliation of operating profit/(loss) to net cash outflow from operating activities	2003 £	2002 £
	Operating profit/(loss)	124,012	(287,198)
	Depreciation of tangible assets	23,170	25,544
	Amortisation of intangible assets	6,333	9,801
	Profit on disposal of tangible assets	(3,000)	-
	Increase in stocks	(1,530)	(438)
	(Increase)/decrease in debtors	(330,545)	13,231
	Decrease in creditors within one year	(20,604)	(88,182)
	Movement on grant provision	(5,780)	(18,995)
	<b>Net cash outflow from operating activities</b>	<b>(207,944)</b>	<b>(346,237)</b>

2	Analysis of net funds/(debt)	1 June 2002 £	Cash flow £	Other non-cash changes £	31 May 2003 £
	Net cash:				
	Cash at bank and in hand	27,531	247,631	-	275,162
	Bank overdrafts	(48,287)	48,287	-	-
		<u>(20,756)</u>	<u>295,918</u>	<u>-</u>	<u>275,162</u>
	Debt:				
	Finance leases	(15,646)	5,794	-	(9,852)
	Debts falling due within one year	(5,000)	5,000	-	-
	Debts falling due after one year	(22,500)	2,500	-	(20,000)
		<u>(43,146)</u>	<u>13,294</u>	<u>-</u>	<u>(29,852)</u>
	<b>Net (debt)/funds</b>	<b><u>(63,902)</u></b>	<b><u>309,212</u></b>	<b><u>-</u></b>	<b><u>245,310</u></b>

3	Reconciliation of net cash flow to movement in net funds/(debt)	2003 £	2002 £
	Increase in cash in the year	295,918	2,251,600
	Cash outflow from decrease in debt and lease financing	13,294	15,379
	<b>Movement in net funds/(debt) in the year</b>	<b>309,212</b>	<b>2,266,979</b>
	Opening net debt	(63,902)	(2,330,881)
	<b>Closing net funds/(debt)</b>	<b>245,310</b>	<b>(63,902)</b>

# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

## 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. The company has consistently applied all relevant accounting standards.

#### 1.2 Turnover

Turnover consists of revenue from footballing activities and associated commercial activities excluding the transfer of players' registrations, stated net of VAT.

#### 1.3 Transfer and signing on fees

Fees payable to other Football Clubs on the transfer of players' registrations are capitalised and amortised over the period of the respective players'/managers' initial contracts. Fees receivable from other Football Clubs on the transfer of players'/managers' registration are reflected in the profit and loss account in the accounting period in which the transfer takes place. Signing on fees are charged to the profit and loss account in the accounting period in which they are payable.

#### 1.4 Tangible fixed assets and depreciation

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

Land and buildings Freehold	Straight line over 50 years
Plant and equipment	20% - 33.3% reducing balance
Motor vehicles	25% Straight line

#### 1.5 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.

#### 1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.7 Stock

Stock is valued at the lower cost and net realisable value with proper provision being made for obsolete and slow moving stock. Cost comprises the invoiced price of goods and materials purchases on a first in first out basis. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

#### 1.8 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.

# INVERNESS THISTLE AND CALEDONIAN F. C. PLC

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

### 1 Accounting policies

(continued)

#### 1.9 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 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3	Operating profit/(loss)	2003 £	2002 £
	Operating profit/(loss) is stated after charging:		
	Amortisation of intangible assets	6,333	9,801
	Depreciation of tangible assets	23,170	25,544
	Operating lease rentals	13,999	17,114
	Auditors' remuneration	4,500	4,500
	Remuneration of auditors for non-audit work	5,636	3,876
	and after crediting:		
	Government grants	5,780	18,995
	Profit on disposal of tangible assets	3,000	-
	Net transfer fees	133,043	15,500
		<u>133,043</u>	<u>15,500</u>
4	Interest payable	2003 £	2002 £
	On bank loans and overdrafts	561	25,793
	On loans repayable after 5 years	1,253	1,814
	Hire purchase interest	-	246
		<u>1,814</u>	<u>27,853</u>

# **INVERNESS THISTLE AND CALEDONIAN F. C. PLC**

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

### **5 Taxation**

<b>Current tax charge</b>	<u>-</u>	<u>-</u>
<b>Factors affecting the tax charge for the year</b>		
Profit/(loss) on ordinary activities before taxation	<u>129,711</u>	<u>(272,099)</u>
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00 % (2002 : 19.00 %)	<u>24,645</u>	<u>(51,699)</u>
Effects of:		
Non deductible expenses	1,466	3,573
Depreciation add back	4,402	6,716
Capital allowances	(5,425)	(7,036)
Tax losses utilised	(23,091)	41,459
Other tax adjustments	(1,997)	6,987
	<u>(24,645)</u>	<u>51,699</u>
<b>Current tax charge</b>	<u>-</u>	<u>-</u>

### **6 Intangible fixed assets**

	<b>Transfer and signing on fees £</b>
<b>Cost</b>	
At 1 June 2002	27,500
Additions	16,000
At 31 May 2003	<u>43,500</u>
<b>Amortisation</b>	
At 1 June 2002	27,500
Charge for the year	6,333
At 31 May 2003	<u>33,833</u>
<b>Net book value</b>	
At 31 May 2003	<u>9,667</u>
At 31 May 2002	<u>-</u>

# **INVERNESS THISTLE AND CALEDONIAN F. C. PLC**

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

### **7 Tangible fixed assets**

	Land and buildings Freehold	Plant and equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 June 2002	175,000	300,087	21,000	496,087
Additions	-	4,643	-	4,643
Disposals	-	-	(15,750)	(15,750)
At 31 May 2003	175,000	304,730	5,250	484,980
<b>Depreciation</b>				
At 1 June 2002	12,150	170,973	21,000	204,123
On disposals	-	-	(15,750)	(15,750)
Charge for the year	2,050	21,120	-	23,170
At 31 May 2003	14,200	192,093	5,250	211,543
<b>Net book value</b>				
At 31 May 2003	160,800	112,637	-	273,437
At 31 May 2002	162,850	129,114	-	291,964

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

	Plant and equipment £
<b>Net book values</b>	
At 31 May 2003	10,478
At 31 May 2002	13,098
<b>Depreciation charge for the year</b>	
31 May 2003	2,620
31 May 2002	3,274

# **INVERNESS THISTLE AND CALEDONIAN F. C. PLC**

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

### **8 Fixed asset investments**

	Shares in participating interests £
<b>Cost</b>	
At 1 June 2002 & at 31 May 2003	1
At 31 May 2002	1

#### **Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Participating interests</b>			
Caledonian Thistle Properties Limited	Scotland	Ordinary	50

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2003 £	Profit for the year 2003 £
Caledonian Thistle Properties Limited	(6,263)	(599)

The share of assets and result for the year are based on the most recent set of accounts available, covering the year to 31 December 2002. The company is non trading.

<b>9 Stocks</b>	<b>2003 £</b>	<b>2002 £</b>
Consumables	3,988	2,862
Goods for resale	5,385	4,981
	<u>9,373</u>	<u>7,843</u>



# **INVERNESS THISTLE AND CALEDONIAN F. C. PLC**

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

<b>10 Debtors</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade debtors	79,829	89,605
Other debtors	343,798	-
Prepayments and accrued income	6,569	10,046
	<u>430,196</u>	<u>99,651</u>
<b>11 Creditors: amounts falling due within one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	-	48,287
Net obligations under hire purchase contracts	5,794	5,794
Trade creditors	42,401	78,796
Taxes and social security costs	44,296	34,124
Other creditors	111,100	114,477
Accruals and deferred income	15,526	11,530
	<u>219,117</u>	<u>293,008</u>

The bank overdraft is secured by a fixed charge over the company's properties and a floating charge over the company's assets.

# **INVERNESS THISTLE AND CALEDONIAN F. C. PLC**

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

<b>12 Creditors: amounts falling due after more than one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Other loans	20,000	22,500
Net obligations under hire purchase contracts	4,058	9,852
	<u>24,058</u>	<u>32,352</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years other than by instalments:		
Other loans	20,000	-
Wholly repayable within five years	-	27,500
	<u>20,000</u>	<u>27,500</u>
Included in current liabilities	-	(5,000)
	<u>20,000</u>	<u>22,500</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	-	5,000
In more than two years but not more than five years	-	15,000
In more than five years	20,000	2,500
	<u>20,000</u>	<u>22,500</u>
<b>Net obligations under hire purchase contracts</b>		
Included in liabilities falling due within one year	(5,794)	(5,794)
	<u>(5,794)</u>	<u>(5,794)</u>

Other loans represent an interest free loan from Tulloch Limited which is due for repayment by 30 June 2022.

### **13 Accruals and deferred income**

	<b>Government grants</b>
	<b>£</b>
Balance at 1 June 2002	9,495
Amortisation in the year	(5,780)
	<u>3,715</u>
Balance at 31 May 2003	<u>3,715</u>

# **INVERNESS THISTLE AND CALEDONIAN F. C. PLC**

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

<b>14 Share capital</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
3,063,978 Ordinary shares of £ 1 each	3,063,978	3,063,978
2,000,000 "A" Ordinary shares of £ 1 each	2,000,000	2,000,000
1,000,000 "B" Ordinary shares of £ 1 each	1,000,000	1,000,000
3 Ordinary "C" shares of £1 each	3	3
	<u>6,063,978</u>	<u>6,063,978</u>
<b>Allotted, called up and fully paid</b>		
1,664,978 Ordinary shares of £ 1 each	1,664,978	1,135,878
600,000 "A" Ordinary shares of £ 1 each	600,000	600,000
300,000 "B" Ordinary shares of £ 1 each	300,000	300,000
3 "C" Ordinary shares of £1 each	3	3
	<u>2,564,981</u>	<u>2,035,881</u>

The "A", "B" and "C" ordinary shares rank pari passu in all respects with the ordinary shares, except that the holders of the "A", "B" and "C" shares have the right to receive notice of, attend and speak at shareholders meetings but do not have the right to vote at such meetings, save in relation to the appointment of representative directors. With regard to voting rights the ordinary shares held by the Caledonian Thistle Members Club have enhanced rights for as long as they are held by the members club. In December 2000 the rights were reduced to 15% of the votes available. This is further reduced by 1% for each £100,000 invested to a minimum of 10%.

During the year 529,100 £1 Ordinary Shares were issued at par to provide working capital.

### **15 Statement of movements on reserves**

	<b>Share premium account</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>
Balance at 1 June 2002	69,406	(2,013,152)
Retained profit for the year	-	129,711
	<u>69,406</u>	<u>(1,883,441)</u>
Balance at 31 May 2003		

# **INVERNESS THISTLE AND CALEDONIAN F. C. PLC**

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

<b>16 Reconciliation of movements in shareholders' funds</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Profit/(Loss) for the financial year	129,711	(272,099)
Proceeds from issue of shares	529,100	71,900
Cost of share issue written off to share premium account	-	(22,246)
Net addition to/(depletion in) shareholders' funds	658,811	(222,445)
Opening shareholders' funds	92,135	314,580
Closing shareholders' funds	750,946	92,135

## **17 Financial commitments**

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

	<b>Land and buildings</b>	
	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Expiry date:		
In over five years	14,000	17,000

## **18 Employees**

### **Number of employees**

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

	<b>2003</b>	<b>2002</b>
	<b>Number</b>	<b>Number</b>
Playing staff	27	26
Office and management	5	7
Directors	6	6
Ground and support	16	11
	54	50

### **Employment costs**

	<b>£</b>	<b>£</b>
Wages and salaries	817,460	768,720
Social security costs	77,338	69,954
	894,798	838,674

# **INVERNESS THISTLE AND CALEDONIAN F. C. PLC**

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

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### **19 Related party transactions**

During the year the company entered into transactions, on normal commercial terms, with entities in which certain directors have an interest, namely: Ken Mackie - HKM Consulting; Graeme Bennett - Cairngorm Windows Limited; Iain A MacDonald - MacArthur & Co; Alexander G M Catto - Scotlog Sales Limited and Highland Haulage Limited; Ken Cameron - Tulloch Limited.

In the course of the year rent and management charges were paid to Inverness Caledonian Thistle Properties Limited, a company in which Ken Mackie is a director.