

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009
FOR
ST HELENS RUGBY FOOTBALL CLUB LIMITED**



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FOR THE YEAR ENDED 31 OCTOBER 2009**

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ST HELENS RUGBY FOOTBALL CLUB LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2009**

DIRECTORS:	E McManus (Chairman) J A G Hartley J Nicholl A J Bell K Marren R K McCormack M Coleman F Lyons
SECRETARY:	P Carter
REGISTERED OFFICE:	Dunridding Lane St Helens Merseyside WA10 4AD
REGISTERED NUMBER:	00331905
AUDITORS:	Baker Tilly UK Audit LLP Statutory Auditor Chartered Accountants 1210 Centre Park Square Warrington Cheshire WA1 1RU
BANKERS:	Santander Bootle Merseyside

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 OCTOBER 2009**

The 2009 operational losses of the Club for the year have increased considerably over 2008. The principal reasons comprised materially reduced gate receipts as well as falls in merchandising, hospitality and lottery. The fall in gate receipts was principally due to us not making the Challenge Cup final in 2009 and the receipts for league games being down generally due to discounts and other incentives being offered in a recessionary environment. In sum, the combination of a very testing economy for all businesses and the rapidly degenerating state of Knowsley Road impacted negatively on most of our principal income streams. On the costs side, salaries did increase as the Club recruited staff in readiness for the additional workloads and responsibilities being assumed in connection with the development of, and move to, our new stadium. Incremental professional costs were also assumed in this regard and these will clearly continue.

The Club has continued to spend full salary cap on its first team squad and to invest in its academy system, which we consider to be both the strongest in Super League and to be an integral part of our long term first team strategy.

The losses have continued to be funded by the directors of the Club.

The Club has recently entered into an agreement for a 999 year lease of a new 18,000 capacity stadium located at the site of the old United Glass site at Peasley Cross. The developer Langtree Group plc has entered into a design and build contract with Barr Construction and completion and operation of the stadium is scheduled for the end of 2011 season. The very poor condition of Knowsley Road and the financing structure of the new stadium dictate that we have to play the 2011 season at the Halton Stadium, Widnes.

The commercial and financial challenges which the Club are encountering will continue until we move into the new stadium. This will transform the long term commercial and financial performances of the Club and will secure its long term future as well as providing a welcome economic boost for the town.



E McManus

29 July 2010

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2009**

The directors present their report with the financial statements of the company for the year ended 31 October 2009

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a professional rugby league club

REVIEW OF BUSINESS

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

A review of the business is contained in the Chairman's Report on page 2

The key performance indicators are operating profit/(loss) and the net assets figure. These indicators are disclosed in the financial statements on pages 6 and 7 respectively

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2009

FUTURE DEVELOPMENTS

The future developments of the company are to continue to expand the brand of the Rugby Club to a greater geographical area, involving increasing sponsorship revenues and continuing to grow the merchandising opportunities due to on-field success

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2008 to the date of this report

E McManus (Chairman)
J A G Hartley
J Nicholl

Other changes in directors holding office are as follows

J A Spencer - resigned 7 September 2009
A J Bell - appointed 16 April 2009
K Marren - appointed 10 February 2009
R K McCormack - appointed 29 May 2009

M Coleman and F Lyons were appointed as directors after 31 October 2009 but prior to the date of this report

RISK AND UNCERTAINTIES

The company is aware that the business operates in a very niche and competitive market. The directors strive to maintain the success of the Club, thereby ensuring its financial stability

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2009**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Baker Tilly UK Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



E McManus (Chairman) - Director

29 July 2010

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
ST HELENS RUGBY FOOTBALL CLUB LIMITED**

We have audited the financial statements of St Helens Rugby Football Club Limited for the year ended 31 October 2009 on pages six to nineteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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 directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 October 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Baker Tilly UK Audit LLP

Michael Fairhurst FCA (Senior Statutory Auditor)
for and on behalf of Baker Tilly UK Audit LLP
Statutory Auditor
Chartered Accountants
1210 Centre Park Square
Warrington
Cheshire
WA1 1RU

29 July 2010

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2009**

	Notes	2009 £	2008 £
TURNOVER		4,887,246	5,079,718
Administrative expenses		5,826,745	5,441,211
OPERATING LOSS	3	(939,499)	(361,493)
Interest receivable and similar income		136,506	-
		(802,993)	(361,493)
Interest payable and similar charges	4	58,817	87,795
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(861,810)	(449,288)
Tax on loss on ordinary activities	5	-	-
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(861,810)	(449,288)

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

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

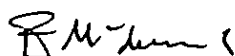
NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

BALANCE SHEET
31 OCTOBER 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	6	8,281,523	8,298,035
Investments	7	2	2
		<u>8,281,525</u>	<u>8,298,037</u>
CURRENT ASSETS			
Stocks	8	89,865	125,745
Debtors	9	243,726	524,445
Cash in hand		2,100	1,550
		<u>335,691</u>	<u>651,740</u>
CREDITORS			
Amounts falling due within one year	10	<u>2,566,886</u>	<u>2,555,225</u>
NET CURRENT LIABILITIES		<u>(2,231,195)</u>	<u>(1,903,485)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,050,330	6,394,552
CREDITORS			
Amounts falling due after more than one year	11	<u>4,502,128</u>	<u>3,984,540</u>
NET ASSETS		<u><u>1,548,202</u></u>	<u><u>2,410,012</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	7,000	7,000
Revaluation reserve	16	7,605,046	7,605,046
Profit and loss account	16	<u>(6,063,844)</u>	<u>(5,202,034)</u>
SHAREHOLDERS' FUNDS	21	<u><u>1,548,202</u></u>	<u><u>2,410,012</u></u>

The financial statements were approved and authorised for issue by the Board of Directors on 29 July 2010 and were signed on its behalf by



E McManus (Chairman) - Director

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2009**

	Notes	2009 £	2008 £
Net cash (outflow)/inflow from operating activities	1	(277,544)	93,910
Returns on investments and servicing of finance	2	77,689	(87,795)
Capital expenditure	2	(5,929)	(16,967)
		<u>(205,784)</u>	<u>(10,852)</u>
Financing	2	(126,270)	(24,323)
Decrease in cash in the period		<u><u>(332,054)</u></u>	<u><u>(35,175)</u></u>

Reconciliation of net cash flow to movement in net debt

	3		
Decrease in cash in the period		(332,054)	(35,175)
Cash outflow from decrease in debt and lease financing		<u>126,270</u>	<u>24,323</u>
Change in net debt resulting from cash flows		<u>(205,784)</u>	<u>(10,852)</u>
Movement in net debt in the period		<u>(205,784)</u>	<u>(10,852)</u>
Net debt at 1 November		<u>(950,606)</u>	<u>(939,754)</u>
Net debt at 31 October		<u><u>(1,156,390)</u></u>	<u><u>(950,606)</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2009

1 RECONCILIATION OF OPERATING LOSS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating loss	(939,499)	(361,493)
Depreciation charges	22,441	25,695
Decrease in stocks	35,880	31,142
Decrease in debtors	280,719	398,474
Increase in creditors	322,915	92
Net cash (outflow)/inflow from operating activities	(277,544)	93,910

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest received	136,506	-
Interest paid	(58,817)	(87,795)
Net cash inflow/(outflow) for returns on investments and servicing of finance	77,689	(87,795)
Capital expenditure		
Purchase of tangible fixed assets	(5,929)	(16,967)
Net cash outflow for capital expenditure	(5,929)	(16,967)
Financing		
Loan repayments in year	(110,744)	(63,642)
Brewery loan repayments in year	(15,526)	(9,712)
New loan in year	-	50,000
Hire purchase movements in year	-	(969)
Net cash outflow from financing	(126,270)	(24,323)

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2009**

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 11 08 £	Cash flow £	At 31 10 09 £
Net cash			
Cash at bank and in hand	1,550	550	2,100
Bank overdraft	<u>(211,177)</u>	<u>(332,604)</u>	<u>(543,781)</u>
	<u>(209,627)</u>	<u>(332,054)</u>	<u>(541,681)</u>
 Debt			
Debts falling due within one year	(74,207)	(39,639)	(113,846)
Debts falling due after one year	<u>(666,772)</u>	<u>165,909</u>	<u>(500,863)</u>
	<u>(740,979)</u>	<u>126,270</u>	<u>(614,709)</u>
 Total	<u><u>(950,606)</u></u>	<u><u>(205,784)</u></u>	<u><u>(1,156,390)</u></u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

During the year the company has made a loss of £861,810 and at the balance sheet date has net current liabilities of £2,231,195. The company meets its day to day working capital requirements from a bank overdraft facility. Long term finance is provided by bank loans and loans from other shareholders of the parent company.

Due to the current economic climate, the directors are aware of the uncertainty surrounding banks and other financial institutions, and the possibility that the overdraft facility and bank loans may be withdrawn. In the opinion of the directors the existing borrowing facilities are unlikely to be withdrawn in the foreseeable future.

The directors have agreed to provide further financial support as necessary to enable the company to settle its liabilities as they fall due.

The directors have prepared budgets and cash flow forecasts for the company, which show the company can continue to trade within its existing borrowing facilities with further support from the directors. Therefore the directors have prepared the financial statements on the going concern basis.

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Prize money is dependent on where the club has finished in the major competitions and the league. It is accounted for in the season to which it relates.

Gate receipts relate to the proceeds taken at the turnstiles for each game and the season ticket sales for the season. Any prepaid season ticket sales are included within deferred income.

Sale of players relates to players sold which were under contract to the club. The income is accounted for when the sale contract is agreed.

Television fees relate to the payments for television coverage from SKY and the BBC. It is accounted for on an accruals basis.

Sponsorship, advertising and hospitality is accounted for in the season to which it relates. Any prepaid sales are included within deferred income.

Merchandising relates to shop sales and is accounted for on a receipts basis.

Lottery donations are accounted for on a receipts basis.

All of the above items exclude value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 10% on reducing balance
Computer equipment	- 33 3% on cost

Freehold land and buildings are stated at valuation, other tangible fixed assets are stated at cost. Freehold land is not depreciated.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2009

1 ACCOUNTING POLICIES - continued**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Hire purchase and leasing commitments

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

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

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

Fixed asset investments

Fixed asset investments are stated in the balance sheet at cost. Provision is made for any impairment in the value of fixed asset investments.

2 STAFF COSTS

	2009 £	2008 £
Wages and salaries	3,113,238	2,848,107
Social security costs	323,504	302,711
	<u>3,436,742</u>	<u>3,150,818</u>

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

	2009	2008
Playing and coaching staff	84	86
Other staff	65	67
	<u>149</u>	<u>153</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2009

3 OPERATING LOSS

The operating profit/(loss) is stated after charging

	2009	2008
	£	£
Depreciation		
Tangible fixed assets, owned	22,441	25,695
Operating lease rentals		
Plant and machinery	65,292	75,402
Other	98,266	97,856
Audit fees	12,985	12,000
Auditors fees -non-audit work	41,024	6,490
	<u> </u>	<u> </u>

The directors did not receive any remuneration or any expenses during the year

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Bank interest	47,312	73,301
HMRC interest and charges	9,908	10,486
Other loan interest	1,597	4,008
	<u> </u>	<u> </u>
	<u>58,817</u>	<u>87,795</u>

5 TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 October 2009 nor for the year ended 31 October 2008

Factors affecting the tax charge

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

	2009	2008
	£	£
Loss on ordinary activities before tax	<u>(861,810)</u>	<u>(449,288)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 28.831%)	(241,307)	(129,534)
Effects of		
Expenses not deductible for tax	11,956	14,800
Depreciation in excess of capital allowances	6,283	7,408
Unrelieved tax losses	<u>223,068</u>	<u>107,326</u>
Current tax charge	<u> </u>	<u> </u>

The company has a deferred tax asset of £1,287,100 (2008 £1,047,000) arising from trading losses available for relief against future profits, which has not been provided in the balance sheet as it is not expected to be recoverable within the foreseeable future

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2009

6 TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Computer equipment £	Totals £
COST OR VALUATION				
At 1 November 2008	8,125,000	412,114	48,122	8,585,236
Additions	-	-	5,929	5,929
At 31 October 2009	8,125,000	412,114	54,051	8,591,165
DEPRECIATION				
At 1 November 2008	-	244,605	42,596	287,201
Charge for year	-	16,751	5,690	22,441
At 31 October 2009	-	261,356	48,286	309,642
NET BOOK VALUE				
At 31 October 2009	8,125,000	150,758	5,765	8,281,523
At 31 October 2008	8,125,000	167,509	5,526	8,298,035

Cost or valuation at 31 October 2009 is represented by

	Freehold property £	Plant and machinery £	Computer equipment £	Totals £
Valuation in 2009	8,125,000	-	-	8,125,000
Cost	-	412,114	54,051	466,165
	8,125,000	412,114	54,051	8,591,165

If freehold land and buildings had not been revalued they would have been included at the following historical cost

	2009 £	2008 £
Cost	592,651	592,651
Aggregate depreciation	53,489	53,489

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2009

6 TANGIBLE FIXED ASSETS - continued

FRS15 -Tangible Fixed Assets requires an interim valuation to be carried out in the third year after a full valuation and a full valuation to be done every five years. The directors have not obtained such valuations since 31 October 2005

The company has entered into an agreement to sell the freehold property and during 2008 certain planning conditions were satisfied. The agreement will only be completed when the activities of the company can be relocated to a new stadium and vacant possession can be granted over the existing freehold property.

The agreed selling price is £8,125,000, therefore the directors revalued the property to that amount at 31 October 2009. This treatment is a departure from the requirements of the Companies Act 1985, which requires the property to be valued at market value and from the requirements of FRS15, which requires the valuation to be on the basis of existing use value and carried out by an independent qualified valuer.

The directors have not charged any depreciation on the property because no adjustment will be made to the selling price for normal wear and tear. This treatment is a departure from the requirements of both the Companies Act 2006 and FRS15 which require depreciation to be charged on tangible fixed assets.

However, the directors believe that because there will be no significant change in value between the balance sheet date and the date of the completion of the sale agreement, valuing the property at the agreed sale proceeds is a sufficiently independent and reliable valuation that it gives a true and fair view.

No provision has been made for any deferred taxation arising on the revaluation surplus, because, in the opinion of the directors, any gain arising on the disposal will be rolled over against the cost of qualifying replacement assets.

7 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 November 2008 and 31 October 2009	2
NET BOOK VALUE	
At 31 October 2009	2
At 31 October 2008	2

8 STOCKS

	2009 £	2008 £
Goods for resale	89,865	125,745

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Trade debtors	152,480	226,901
Other debtors	42,941	250,462
Prepayments and accrued income	48,305	47,082
	<u>243,726</u>	<u>524,445</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2009

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Bank loans and overdrafts (see note 12)	641,720	269,477
Other loans (see note 12)	15,907	15,907
Trade creditors	237,948	672,086
Social security and other taxes	290,547	356,052
Other creditors	310,411	332,876
Accruals & deferred income	1,070,353	908,827
	<u>2,566,886</u>	<u>2,555,225</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009	2008
	£	£
Bank loans (see note 12)	477,681	628,064
Other loans (see note 12)	23,182	38,708
Intercompany Account - Sporting Club St Helens Limited	3,579,565	2,042,040
Other creditors	421,700	1,275,728
	<u>4,502,128</u>	<u>3,984,540</u>

Other creditors relate to directors loans and non-director loans (See note 14)

12 LOANS

An analysis of the maturity of loans is given below.

	2009	2008
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	543,781	211,177
Bank loans	97,939	58,300
Brewery loan	15,907	15,907
	<u>657,627</u>	<u>285,384</u>
Amounts falling due between one and two years		
Bank loans	105,021	80,122
Brewery loan	15,907	15,907
	<u>120,928</u>	<u>96,029</u>
Amounts falling due between two and five years		
Bank loans	239,857	276,823
Brewery loan	7,275	22,801
	<u>247,132</u>	<u>299,624</u>

Amounts falling due in more than five years

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2009

12 LOANS - continued

	2009 £	2008 £
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans	<u>132,803</u>	<u>271,119</u>

The bank loans are repayable by equal monthly instalments until 2013 and 2017 and bear interest at 2.0% above base rate

13 OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other operating leases	
	2009 £	2008 £	2009 £	2008 £
Expiring				
Within one year	6,300	5,100	20,105	20,098
Between one and five years	<u>97,844</u>	<u>92,856</u>	<u>109,788</u>	<u>224,084</u>
	<u>104,144</u>	<u>97,956</u>	<u>129,893</u>	<u>244,182</u>

14 SECURED DEBTS

The following secured debts are included within creditors

	2009 £	2008 £
Bank overdrafts	543,781	211,177
Bank loans	575,620	686,364
Brewery loan	39,089	54,615
Directors loans	-	654,028
Non-director loans	<u>421,700</u>	<u>621,700</u>
	<u>1,580,190</u>	<u>2,227,884</u>

The bank overdraft and bank loan are secured by a legal mortgage over land and buildings

The brewery loan is secured by a second charge over the freehold land and buildings. Assuming the terms and conditions of the brewery loan are complied with, no interest is charged, otherwise interest is charged at 4% over bank base rate

Non-director loans are secured by a third legal charge over the land and buildings and are included in other creditors

15 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2009	2008
Number	Class	Nominal value	£	£
14,000	Ordinary	50p	<u>7,000</u>	<u>7,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
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16 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 November 2008	(5,202,034)	7,605,046	2,403,012
Deficit for the year	(861,810)		(861,810)
At 31 October 2009	<u>(6,063,844)</u>	<u>7,605,046</u>	<u>1,541,202</u>

17 ULTIMATE PARENT COMPANY

The ultimate parent company is Sporting Club St Helens Limited which is registered in England and Wales. E McManus was the ultimate controlling party until 5 August 2009, following that date the ultimate controlling party is Sporting Club St Helens Limited.

18 CONTINGENT LIABILITIES

The club is committed to pay additional costs in relation to the purchase of some players as and when certain criteria have been met. The criteria in each circumstance could be different and would include for example, milestone club appearances, first International cap and milestone International appearances. The timing of any potential liability will depend upon the criteria being met.

19 TRANSACTIONS WITH DIRECTORS

The directors did not receive any remuneration or expenses during the year. Any merchandise or other goods purchased from the company was on an arms length basis and on normal commercial terms.

20 RELATED PARTY DISCLOSURES

At the year end the company was owed £4,698 (2008 £4,698) from St Helens Town Limited, a fellow subsidiary company.

In addition the company pays nominal expenses on behalf of Sporting Club St Helens Limited.

The balance owed to Sporting Club St Helens Limited is stated in Note 11.

As disclosed in note 14, there were directors' loans analysed as follows:

	2009 £	2008 £
E McManus	nil	594,028
J Hartley	nil	10,000
J Spencer	nil	50,000
	<u>nil</u>	<u>654,028</u>

The loans did not attract interest.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2009

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Loss for the financial year	(861,810)	(449,288)
Net reduction of shareholders' funds	(861,810)	(449,288)
Opening shareholders' funds	2,410,012	2,859,300
Closing shareholders' funds	1,548,202	2,410,012