

Middlesbrough Football & Athletic Company  
(1986) Limited  
Annual report  
for the year ended 31 July 2002

Registered Number 1947851



A41  
COMPANIES HOUSE

WAP44FKW2X

0488  
13/05/03

# Middlesbrough Football & Athletic Company (1986) Limited

## Annual report for the year ended 31 July 2002

### Contents

Directors and advisors .....	1
Directors' report for the year ended 31 July 2002.....	2
Independent auditors' report to the members of Middlesbrough Football & Athletic Company (1986) Limited.	4
Profit and loss account for the year ended 31 July 2002 .....	5
Balance sheet as at 31 July 2002 .....	6
Accounting policies .....	7
Notes to the financial statements for the year ended 31 July 2002.....	10



# **Middlesbrough Football & Athletic Company (1986) Limited**

## **Director and advisors**

### **Executive director**

S Gibson

### **Secretary and registered office**

A W Bage FCA

BT Cellnet Riverside Stadium

Middlesbrough

TS3 6RS

### **Solicitors**

Eversheds

Sandersons

### **Bankers**

Barclays Bank plc

Barclays Loan Servicing Centre Birmingham

PO Box 299

Birmingham

B1 3PF

### **Auditors**

PricewaterhouseCoopers

89 Sandyford Road

Newcastle upon Tyne

NE99 1PL



# Middlesbrough Football & Athletic Company (1986) Limited

## Director's report for the year ended 31 July 2002

The director presents his report and the audited financial statements of the company for the year ended 31 July 2002.

### Principal activity

The principal activity of the company is the operation of a professional football club and related business operations. There have been no significant changes therein during the year.

### Review of business

The director considers the company's trading results for the year ended 31 July 2002 and the year end financial position to be satisfactory.

### Dividends

The director does not recommend the payment of a dividend (2001: £Nil).

### Post balance sheet events

Subsequent to the year end the company has entered into agreements worth approximately £8.765 million for the acquisition of players.

Subsequent to the year end, as set out in note 15(d), the group negotiated an increase in its borrowing facilities of up to £25 million.

### Directors

The directors of the company at 31 July 2002, who have been directors for the whole of the year ending on that date, unless otherwise stated, are listed below:

S Gibson (Chairman)

### Directors' interests in shares of the company and other group companies

None of the directors of the company have any interest in the shares of the company.

The interests of the directors in the shares of the ultimate parent company were:

1 August 2001  
and 31 July 2002

---

#### The Gibson O'Neill Company Limited – ordinary shares £1

S Gibson	18,750
----------	--------

---

Other than as shown above no director had any interest in the shares of other group companies at any time during the year ended 31 July 2002.

### Charitable donations

Donations made by the company during the year for charitable purposes amounted to £229,085 (2001: £244,800), including £219,700 (2001: £223,700) to the Middlesbrough Football Club Academy (Eston) Limited.



# Middlesbrough Football & Athletic Company (1986) Limited

## Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

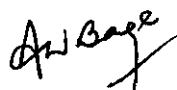
The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 July 2002. The directors also confirm that applicable accounting standards have been followed and the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and in the absence of a notice proposing that the appointment be terminated, will be deemed to be re-appointed for the next financial year.

By order of the Board



A W Bage FCA  
Company secretary

31 January 2003





# Middlesbrough Football & Athletic Company (1986) Limited

## Independent auditors' report to the members of Middlesbrough Football & Athletic Company (1986) Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes, which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

### Respective responsibilities of directors and auditors

*The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.*

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This opinion has been prepared for and only for the company's members in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 director'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 is not disclosed.


### Basis of audit 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.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 July 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
Newcastle upon Tyne  
31 January 2003



# Middlesbrough Football & Athletic Company (1986) Limited

## Profit and loss account for the year ended 31 July 2002

	Note	2002 £'000	2001 £'000
Turnover	1	35,434	29,962
Cost of sales		(34,622)	(35,186)
Gross profit/(loss)		812	(5,224)
Administrative expenses		(3,089)	(4,049)
Player amortisation	2	(12,120)	(12,196)
Total administrative expenses		(15,209)	(16,245)
Other operating income	5	239	339
Operating loss		(14,158)	(21,130)
Profit on sale of players' registrations		1,516	2,152
Loss on ordinary activities before interest and tax		(12,642)	(18,978)
Net interest payable and similar charges	6	(3,515)	(2,941)
Loss on ordinary activities before taxation	7	(16,157)	(21,919)
Tax on loss on ordinary activities	8	4,235	6,073
Loss for the financial year	19, 20	(11,922)	(15,846)

All of the company's operations are continuing.

There is no difference between the loss on ordinary activities before taxation and the loss for the financial year stated above, and their historical cost equivalents.

The company has no recognised gains and losses other than the loss reported above and therefore no separate statement of total recognised gains and losses has been presented.

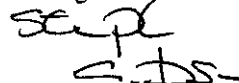


# Middlesbrough Football & Athletic Company (1986) Limited

## Balance sheet as at 31 July 2002

	Note	2002 £'000	2002 £'000	2001 £'000	2001 £'000
<b>Fixed assets</b>					
Intangible assets	9		31,526		26,940
Tangible assets	10		25,136		26,188
			56,662		53,128
<b>Current assets</b>					
Stock	12	555		868	
Debtors	13	6,487		12,751	
Cash at bank and in hand		153		9,612	
		7,195		23,231	
Creditors: amounts falling due within one year	14	(40,925)		(45,934)	
Net current liabilities			(33,730)		(22,703)
Total assets less current liabilities			22,932		30,425
<b>Creditors : amounts falling due after more than one year</b>					
	15		44,875		40,307
Accruals and deferred income	16		2,159		2,298
Provisions for liabilities and charges	17		-		-
			47,034		42,605
<b>Capital and reserves</b>					
Called up share capital	18		1,056		1,056
Capital contribution	19		26,000		26,000
Profit and loss account	19		(51,158)		(39,236)
Equity shareholders' deficit	20		(24,102)		(12,180)
			22,932		30,425

The financial statements on pages 5 to 19 were approved by the board of directors on 31 January 2003 and were signed on its behalf by:

  
S Gibson  
Director



# Middlesbrough Football & Athletic Company (1986) Limited

## Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

### Basis of accounting

The financial statements are prepared in accordance with the historical cost convention and on a going concern basis.

The company meets its day to day working capital requirements through a term loan and revolving overdraft facility. The validity of the going concern basis depends upon the company's ability to operate within agreed working capital facilities. The directors consider that current and future financing facilities, together with the company's ability to raise additional funds through its principal activity, will be sufficient to meet the company's requirements for the foreseeable future.

Additional funding secured after the balance sheet date is detailed in note 15(d).

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

### Cash flow statement

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirements to prepare a cash flow statement on the grounds that the immediate parent undertaking includes the company in its own published consolidated financial statements.

### Consolidated financial statements

The company has not prepared consolidated financial statements as it is a wholly owned subsidiary of Middlesbrough Football & Athletic Company Holdings Limited, a company registered in England and Wales. As the results of the company are consolidated into the results of Middlesbrough Football & Athletic Company Holdings Limited it is exempt under the terms of the Companies Act 1985 from the requirement to prepare consolidated financial statements. These financial statements therefore consist of the results of the company as an individual entity and not as a group.

### Tangible fixed assets

The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. The cost of leasehold property includes interest paid on funds specifically taken out to finance assets in the course of construction.

Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values on a straight line basis, over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

	%
Freehold buildings	2
Leasehold land and buildings	2 - 7.5
Motor vehicles	25
Fixtures, fittings, plant and machinery	7.5 - 20

Freehold land is not depreciated.





# Middlesbrough Football & Athletic Company (1986) Limited

## Finance and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitment is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit so as to give a constant periodic rate of charge on the remaining balance outstanding at each accounting period. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

## Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

## Grants

Grants that relate to specific projects are treated as deferred income which is then credited to the profit and loss account over the related project's useful life. Other grants are credited to the profit and loss account when received.

## Foreign currencies

Transactions in foreign currencies are translated at the rate ruling at the date of the transaction except where the rate of exchange is fixed by a relevant matching forward exchange contract. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the profit and loss account in the year in which they arise.

## Turnover

Turnover represents all income arising from the ordinary activities of the company, during the course of the period, excluding value added tax.

## Deferred taxation

Following the adoption of FRS19 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.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

## Transfer fees and signing on fees

Costs of acquiring players' registrations are capitalised as intangible fixed assets and are charged over the period of the players' contracts including any subsequent agreed extensions.

Signing on fees payable to players are recognised in the balance sheet as prepayments and amortised over the period of the players' contracts. The net balance of signing on fees relating to players sold during the year is included within cost of players registrations in administration expenses.



## **Middlesbrough Football & Athletic Company (1986) Limited**

### **Sponsorship income**

Sponsorship income is recognised in the profit and loss account of the period in respect of which it is received. If it does not relate to a specific period it is recognised in the profit and loss account of the period in which it is receivable.

### **Pension costs**

The pension costs charged in the year represent contributions payable to The Football League Limited Pension and Life Assurance Scheme.



# Middlesbrough Football & Athletic Company (1986) Limited

## Notes to the financial statements for the year ended 31 July 2002

### 1 Turnover

Turnover consists entirely of sales made in the United Kingdom.

### 2 Player amortisation

Included within administrative expenses are the following amounts:

	2002	2001
	£'000	£'000
Amortisation of transfer fees	10,907	10,021
Cost of signing on fees	1,213	2,175
	12,120	12,196

### 3 Directors' emoluments

	2002	2001
	£'000	£'000
Aggregate emoluments	-	-

### 4 Employee information

The average monthly number of persons (including executive directors) employed by the company during the year was:

	2002	2001
	Number	Number
Playing staff	54	58
Other staff	127	128
	181	186



## Middlesbrough Football & Athletic Company (1986) Limited

	2002	2001
	£'000	£'000
Staff costs (for the above persons):		
Wages and salaries	22,908	24,129
Social security costs	2,578	2,134
Other pension costs	155	291
Payments to Employee Benefits Trust	3,147	3,779
	28,788	30,333

### 5 Other operating income

	2002	2001
	£'000	£'000
Release of deferred grant income	139	139
Football Foundation Grant	100	200
	239	339

### 6 Net interest payable and similar charges

	2002	2001
	£'000	£'000
On bank loans and overdrafts	2,266	2,512
On other loans	1,054	327
On finance leases	149	173
Other interest	46	(71)
	3,515	2,941





# Middlesbrough Football & Athletic Company (1986) Limited

## 7 Loss on ordinary activities before taxation

	2002	2001
	£'000	£'000
<hr/> Loss on ordinary activities before taxation is stated after charging/crediting:		
Depreciation charge for the year:		
- tangible owned fixed assets	969	1,007
- tangible fixed assets held under finance leases	262	185
Amortisation of intangible assets	10,907	10,021
Auditors' remuneration for:		
- audit services	22	18
- other services to the company	26	51
Profit on disposal of tangible fixed assets	(8)	-
<hr/> and after crediting:		
- amortisation of deferred grant	139	139
<hr/>		



# Middlesbrough Football & Athletic Company (1986) Limited

## 8 Tax on loss on ordinary activities

(a) Analysis of charge in the period	2002	2001
		(as restated)
	£'000	£'000
<b>Current tax</b>		
Group relief – current period	(3,550)	(4,100)
Group relief - adjustments in respect of prior periods	(685)	(1,973)
<b>Total current tax (Note 8(b))</b>	<b>(4,235)</b>	<b>(6,073)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
Adjustments in respect of prior periods	-	-
	<b>(4,235)</b>	<b>(6,073)</b>

### (b) Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	2002	2001
		(as restated)
	£'000	£'000
<b>Loss on ordinary activities before tax</b>	<b>(16,050)</b>	<b>(21,919)</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2001: 30%)	(4,815)	(6,576)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	137	150
Capital allowances for period in excess of depreciation	(351)	(320)
Utilised tax losses and other short term timing differences	1,479	2,646
Adjustments to tax charges in respect of previous periods	(685)	(1,973)
<b>Current tax charge for the year</b>	<b>(4,235)</b>	<b>(6,073)</b>

### (c) Factors that may affect future tax charges

The company has excess tax losses carried forward which have not been recognised due to uncertainty as to their recoverability. These could significantly reduce future tax charges if future trading profits are generated against which these can be set.



# Middlesbrough Football & Athletic Company (1986) Limited

## 9 Intangible assets

	Transfer fees paid for players' contracts £'000
<b>Cost</b>	
At 1 August 2001	45,289
Additions	16,576
Disposals	(7,872)
<b>At 31 July 2002</b>	<b>53,993</b>
<b>Amortisation</b>	
At 1 August 2001	18,349
Charge for the year	10,907
Disposals	(6,789)
<b>At 31 July 2002</b>	<b>22,769</b>
<b>Net book amount</b>	
<b>At 31 July 2002</b>	<b>31,526</b>
<b>At 31 July 2001</b>	<b>26,940</b>



# Middlesbrough Football & Athletic Company (1986) Limited

## 10 Tangible fixed assets

	Freehold land and buildings £'000	Long leasehold land and buildings £'000	Motor vehicles £'000	Fixtures, fittings, plant and machinery £'000	Total £'000
<b>Cost</b>					
At 1 August 2001	8,634	20,322	287	2,439	31,682
Additions	8	115	-	124	247
Disposals	-	-	(165)	-	(165)
<b>At 31 July 2002</b>	<b>8,642</b>	<b>20,437</b>	<b>122</b>	<b>2,563</b>	<b>31,764</b>
<b>Amortisation</b>					
At 1 August 2001	419	3,712	149	1,214	5,494
Charge for the year	140	735	54	302	1,231
Disposals	-	-	(97)	-	(97)
<b>At 31 July 2002</b>	<b>559</b>	<b>4,447</b>	<b>106</b>	<b>1,516</b>	<b>6,628</b>
<b>Net book amount</b>					
<b>At 31 July 2002</b>	<b>8,083</b>	<b>15,990</b>	<b>16</b>	<b>1,047</b>	<b>25,136</b>
At 31 July 2001	8,215	16,610	138	1,225	26,188

Cumulative finance costs capitalised included in the total cost above amounts to £483,000 (2001: £483,000).

The net book value of tangible fixed assets includes an amount of £1,764,388 (2001: £1,808,706) in respect of assets held under finance leases.

## 11 Investments

### Interests in subsidiary undertakings

Name	Country of incorporation	Description of shares held	Proportion of nominal value of shares held
MFC Promotions Limited	Isle of Man	Ordinary £1 shares	100%

The company is dormant.





# Middlesbrough Football & Athletic Company (1986) Limited

## 12 Stocks

	2002	2001
	£'000	£'000
Finished goods and goods for resale	555	868

## 13 Debtors

	2002	2001
	£'000	£'000
Trade debtors	1,407	2,116
Transfer fees receivable	1,097	1,429
Other debtors (see note 26)	1,279	5,876
Prepayments and accrued income	2,704	3,330
	6,487	12,751

## 14 Creditors - Amounts falling due within one year

	2002	2001
	£'000	£'000
Bank loans and overdrafts (see note 15)	5,218	4,261
Other loans (see note 15)	3,621	1,797
Amounts due to parent undertaking	5,500	-
Obligations under finance leases (see note 15)	431	563
Trade creditors	1,480	1,430
Transfer fees payable	5,220	13,308
Other taxation and social security payable	7,250	5,052
Other creditors	2,584	9,361
Deferred income	7,603	8,233
Accruals	2,018	1,929
	40,925	45,934



# Middlesbrough Football & Athletic Company (1986) Limited

## 15 Creditors - Amounts falling due after more than one year

	2002	2001
	£'000	£'000
Bank loans and overdrafts	22,425	26,687
Other loans	8,122	6,789
Amounts due to parent undertaking	7,500	-
Obligations under finance leases	919	1,357
Transfer fees payable	5,320	3,060
Other creditors	589	2,414
	44,875	40,307

- (a) Included in bank loans and overdrafts are amounts of £24,116,000 which are secured by fixed and floating charges over the assets of the company.
- (b) Included in other loans are amounts of £731,000 which are secured by fixed charges over the assets of the company and £7,750,000 which are secured over the playing rights of certain players.
- (c) The amounts due to the parent undertaking that fall due after more than one year have no fixed repayment date and are held as a long term debtor in the parent company.
- (d) Subsequent to the year end the group negotiated an increase in its loan facilities by up to £25 million and this increased facility is guaranteed over the assets of the ultimate parent company.

### Bank loans and overdrafts and other loans

	2002	2001
	£'000	£'000
Repayable as follows:		
In one year or less	8,839	6,058
Between one and two years	6,838	16,202
Between two and five years	20,363	11,520
In more than five years	3,346	5,754
	39,386	39,534



## Middlesbrough Football & Athletic Company (1986) Limited

**Creditors repayable in five years or more**  
Analysis of bank loans, overdrafts and other loans:

	2002 £'000	2001 £'000
Secured loan repayable from 15 August 2001 by yearly instalments of £2,373,000 plus one final instalment of £4,747,455	14,242	16,616
Secured building society loans repayable by monthly instalments	730	731
Unsecured brewery loan repayable by barrelage discount	488	521
	15,460	17,868

The interest rates applicable to the above loans are between 1% – 2.5% above LIBOR.

### **Finance leases**

The net finance lease obligations to which the company is committed are:

	2002 £'000	2001 £'000
In one year or less	431	563
Between one and two years	307	508
Between two and five years	612	550
In more than five years	-	299
	1,350	1,920

## 16 Accruals and deferred income

	£'000
<b>Grants</b>	
At 1 August 2001	2,298
Amortised in year	(139)
At 31 July 2002	2,159



# Middlesbrough Football & Athletic Company (1986) Limited

## 17 Provisions for liabilities and charges

The actual liability for deferred taxation is:

	2002	2001
	£'000	£'000
Accelerated capital allowances	750	877
Short term timing differences	(219)	(156)
Losses	(531)	(721)
	-	-

The full potential (asset)/liability for deferred taxation is:

	2002	2001
	£'000	£'000
Accelerated capital allowances	-	-
Short term timing differences	-	-
Losses	(3,210)	(1,647)
	(3,210)	(1,647)

## 18 Called-up share capital

	2002	2001
	£'000	£'000
Authorised		
2,000,000 (2001: 2,000,000) ordinary shares of £1 each	2,000	2,000
Allotted, called-up and fully paid		
1,056,000 (2001: 1,056,000) ordinary shares of £1 each	1,056	1,056





# Middlesbrough Football & Athletic Company (1986) Limited

## 19 Reserves

	Capital contribution £'000	Profit and loss account £'000
At 1 August 2001	26,000	(39,236)
Loss for the financial year	-	(11,922)
At 31 July 2002	26,000	(51,158)

Contribution received represents a capital contribution by the parent company, Middlesbrough Football & Athletic Company Holdings Limited.

## 20 Reconciliation of movement in equity shareholders' deficit

	2002 £'000	2001 £'000
Opening equity shareholders' deficit	(12,180)	(22,334)
Capital contribution	-	26,000
Loss for the financial year	(11,922)	(15,846)
Closing equity shareholders' deficit	(24,102)	(12,180)

## 21 Post balance sheet events

Details of post balance sheet events are given in the directors' report.

## 22 Contingent liabilities

In the course of normal business the company enters into contracts that include clauses contingent upon future events. The directors have assessed such contracts and consider that all liabilities in relation to those contracts have been specifically provided for in these financial statements.

# Middlesbrough Football & Athletic Company (1986) Limited

## 23 Capital commitments

	2002	2001
	£'000	£'000
Capital expenditure that has been contracted for but that has not been provided for in the financial statements.	381	99

## 24 Immediate and ultimate parent company

The immediate parent undertaking is Middlesbrough Football and Athletic Company Holdings Limited. This company is the parent undertaking of the smallest and largest group to consolidate these financial statements.

Copies of the Middlesbrough Football and Athletic Company Holdings Limited consolidated financial statements may be obtained from the company secretary, BT Cellnet Riverside Stadium, Middlesbrough, TS3 6RS.

The directors regard The Gibson O'Neill Company Limited, a company registered in England and Wales, as the ultimate parent company due to its 94.415% holding of the equity share capital of the parent company. Copies of The Gibson O'Neill Company Limited's consolidated financial statements may be obtained from the Company Secretary, Brignell Road, Riverside Park Industrial Estate, Middlesbrough, Cleveland, TS2 1PS.

## 25 Ultimate controlling party

The directors regard Mr S Gibson, Chairman of the company as the ultimate controlling party by virtue of his 75% holding in the shares of The Gibson O'Neill Company Limited, the ultimate parent company.

## 26 Related party transactions

Included within "Other debtors" disclosed in note 12 is an amount due from other group companies of £646,000 (2001: £5,336,000) in respect of group relief.

The company has taken advantage of the exemption permitted under FRS 8, Related Party Transactions, not to disclose transactions with Middlesbrough Football Company Holdings Limited as it is a 100% subsidiary of that company.

