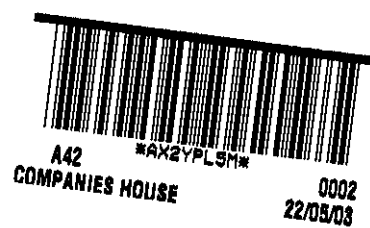


Ipswich Town Football Club Company Limited

30 June 2002

**Directors' report and consolidated
financial statements**

Registered number 315421



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Company information

Chairman	David R Sheepshanks
Board of Directors	John Kerr MBE DL Richard J Moore Philip W Hope-Cobbold Roger J Finbow Rt. Hon Lord Ryder OBE PC
Vice Presidents	Kenneth H Brightwell Harold R Smith
Secretary	David C Rose
Manager	Joe Royle
Commercial Director	Paul A Clouting
Director of Finance	Mike D Cooper
Director of Communications	Alesha I Gooderham
Registered Office	Portman Road Ipswich IP1 2DA
Company Registration Number	315421
Bankers	Barclays Bank Plc 1 Princes Street Ipswich IP1 1PB
Auditors	KPMG LLP 6 Lower Brook Street Ipswich IP4 1AP
Solicitors	Prettys Solicitors Elm House 25 Elm Street Ipswich IP1 2AD

Chairman's report

INTRODUCTION

Relegation from the Premiership on the final day of last season was a bitter pill to swallow, coming so quickly after the previous season's many successes.

Financially, however, this report reflects another strong underlying profit on an Operating basis for last season although in light of our status and the depressed economic climate for football, the Board have decided to write down certain transfer values and this has resulted in us ultimately reporting a Net Loss for the year.

Relegation has caused severe financial pressures for the current season, however, as a result of a number of prompt and decisive actions taken by the Board, the Club's economy has been stabilised and I will refer to this in more detail later in this report.

FINANCIAL REVIEW

In the 12 months period to June 30th 2002 we are reporting operating profits of £2.5 million which, after amortisation, player trading and interest have yielded a net loss before tax of £3.3 million on an increased turnover of £37.4 million. The main reason for the pre-tax loss is an amortisation of player provision charge of £10.8 million. This relates for the most part to new players signed, however, it also includes some £3.9 million of provisions relating to conservative one-off write downs of player values.

INCOME

The healthy growth in income over the previous year came from a combination of increased TV revenue, gate receipts and our own commercial efforts, despite a large reduction in the Premier League merit award as a result of finishing 18th in the Table compared to 5th position in the previous season. The Premier League TV and sponsorship revenue was boosted by further TV income generated by ourselves from our UEFA Cup TV coverage. The exact picture is best shown according to the table below:

	2000/1	2001/2	+/-
	<u>£000</u>	<u>£000</u>	<u>£000</u>
FAPL Basic Award	6,297	8,039	1,742
FAPL TV Appearances	3,986	5,349	1,363
FAPL Ladder/Merit	5,383	1,318	(4,065)
FAPL Central Sponsorship etc	<u>2,838</u>	<u>3,793</u>	<u>955</u>
	18,504	18,499	(5)
UEFA Cup TV Receipts	-	1,528	1,528
	<u>18,504</u>	<u>20,027</u>	<u>1,523</u>
Gate Receipts	6,651	7,821	1,170
Commercial Revenue	<u>6,179</u>	<u>9,528</u>	<u>3,349</u>
Total Revenue	31,334	37,376	+6,042

EMPLOYMENT COSTS

Total wages rose from £17.6 million (13 month period) to £24.2 million in line with other Premiership clubs. This equates to 64.7% turnover to wages ratio, which is a management control that the Board continue to monitor carefully. This increase results mostly from the addition of 8 new senior players to the squad but also from increases paid to existing players and coaching staff after the 2000/2001 season's successes.

TRANSFERS

During the year the Club paid record £14.9 million in transfer fees. The Board backed the Manager's judgement as he sought to strengthen the squad in an effort to consolidate on the first year's performance back in the Premiership.

Two players were sold during the last financial year: Richard Wright and James Scowcroft both left in July 2001. They were home-grown players from Ipswich and Stanton respectively, having been developed through our own youth system since they were boys. They served the Club with distinction and I would like to thank them both for all their efforts on behalf of the Club and to wish them well.

PROFIT

The strong operating performance of the Club underlines the stark contrast between the economics of running a club in the Premiership and the Football League. Despite relegation in May and the very substantial investment in the playing squad over the year, it was still a financially profitable season at the operating level. The Club's finances were amongst the soundest in the Premiership. Such is the massive gap in TV income between the two divisions (circa £14 million) that regrettably a very different picture is forecast for the year-end June 2003 when a substantial operating loss can be expected, despite continued efforts to reduce costs.

BALANCE SHEET

The Balance Sheet now shows a point close to the completion of the North Stand and after the £25 million Bond. This 25 year term financing, also undertaken by several other clubs, was secured to fund the two new stands and the Training Centre with minimum impact on our working capital.

With regards the debt service of the Bond, the level of coverage by gate receipts is substantial. There is a natural level of inflation in ticket prices and the bond payment is fixed in nominal terms, so as time goes on, the effects of inflation will be to make that level of coverage even more secure.

STADIUM

The North Stand is now virtually complete, providing us with a stadium capacity of 30,000 and two new stands with views, comfort and facilities to match the best in the country. We would ideally still like to make further improvements to the facilities in the Britannia and Cobbold Stands, including the Visitors' Area, however, these have had to be postponed given the financial effect of relegation.

The attempt by a local resident to thwart the building of the new North Stand by calling for a Judicial Review was finally won by the Club when the Court of Appeal endorsed the original High Court order in our favour. Although we were awarded some of our costs (unusual in cases funded by Legal Aid), this case cost us £180,000 as well as delays and numerous other frustrations and hidden costs to the project. The end result, however, is that both the Club's and Ipswich Borough Council's conduct throughout the planning process was vindicated.

The Greene King Stand was formally opened by the President of UEFA, Mr Lennart Johansson, before our European match with Helsingborg.

TRAINING CENTRE AND ACADEMY

We now possess one of the finest training facilities in the country where 250 boys train on a weekly basis. It was opened in October 2001 by the Minister of Sport, Rt Hon Richard Caborn MP.

Our Academy, under the first class direction of Bryan Klug, is held in high regard for its outstanding record in player development as well as having generated nearly £20 million since 1996/97 in transfer revenue.

Despite the necessity for savings, the Directors are determined to maintain the investment in the Academy and our training facilities, seeing this as vital seedcorn for the future prosperity of the Club.

A positive reflection on our growing reputation for our Academy came with an invitation to host an England U19 match v Germany at Portman Road. The game was won from 2 goals by our own Darren Bent, but equally impressive was the attendance of 21,954 which was a new record for attendance at a match of this international level.

UEFA CUP

While relegation has naturally dominated our thinking it would be remiss not to recognise our achievements in Europe last season when our proud, unbeaten record at Portman Road remained intact through three rounds, culminating in a famous victory against Inter-Milan. The three rounds will, however, perhaps best be remembered for the fabulous travelling support and the good nature and behaviour of Ipswich Town fans in Moscow, Helsingborg and Milan, which helped to re-write the reputation of English football fans abroad. This season we again have the honour of representing this country in Europe through the allotment to us of the Fair Play League place.

FINANCIAL POSITION POST 30 JUNE

The financial consequences of relegation have been dire with a drop in television income of circa £14 million (from £20 million to £6 million after taking account of the first year's parachute amount).

In addition, the ITV Digital collapse and subsequent new Football League deal with Sky has left all Division One clubs with a guaranteed payment of only £580,000 for this season, as compared with approximately £3 million paid to Football League Clubs last season – in other words, a further shortfall of £2.4 million. To put this in perspective, this £580,000 for a whole season is similar to the amount which we received for each Live appearance on SKY TV last season.

In addition to these massive deficits, the transfer market dropped markedly and suddenly in a way that no-one in football could have been foreseen in its entirety. This was largely as a result of uncertainty over future TV revenue in the Premiership beyond 2004 (the term of the current SKY deal) and the parallel depression throughout the European transfer market

As if to compound the situation, we also had to contend with the advent of the unwelcome new 31 August Transfer Deadline, which handicapped relegated clubs. This move had a further depressive effect on a tightening market and handed the advantage in negotiation to those few elite clubs who were interested buyers.

When considering the way in which the Club would deal with the prospect of relegation, in the worst of all years, your Directors have always taken the view that this would have to be dealt with in the main by player sales, in much the same way as was the case previously when we failed to get promotion in successive years in the late 90's.

Owing to this unprecedented number of factors, outlined above, opportunities were few and far between for any outward player sales throughout the summer. The sale of Titus Bramble was negotiated earlier in the close season

and although the fee was undisclosed the reported sale value of £4.7 million was listed amongst the top 10 transfer deals in Europe.

Sixto Peralta, who had enjoyed a successful one year loan with the Club returned to Inter Milan as the Club was not in a position to afford his salary contract costs in Division One. There was still a very substantial income gap to be closed and in possession of all the facts the Board very reluctantly accepted an offer first for Hermann Hreidarsson and then when that transaction fell through for Matt Holland, which circumstances demanded we accept. In the event both players decided to stay with Ipswich Town.

In the last 72 hours before the 31st August deadline, we equally reluctantly agreed to sell Marcus Stewart to Sunderland. In the same week both Martijn Reuser and Marcus Bent declined to go on loan to Charlton and Birmingham respectively, both temporary moves that were with a view to possible permanent contracts.

Earlier both Matteo Sereni and Ulrich Le Pen were loaned for the entire season to Brescia and Strasbourg with fees agreed for options for these to become permanent moves by 30 April 2003.

Gary Croft also left the Club on a free transfer and in the last few days we have agreed terms for the release of Amir Karic from his contract.

I would like to thank Titus Bramble, Marcus Stewart, Sixto Peralta, Gary Croft and Amir Karic for their efforts on behalf of the Club. The longer term destiny for Matteo Sereni and Ulrich Le Pen is less certain but I would like to thank them as well. We wish all of these players the very best for their futures.

It is important for me to clarify to Shareholders that it is not only transfer fees that need to be taken into account in any player transaction but also the very sizeable salary contract commitments that are attached to each player.

Ultimately the Board's plans to improve the financial shortfall to the maximum possible from player disposals, were curtailed by the 31st August deadline.

As of 1 September, therefore we were faced with very serious financial difficulties which required swift and remedial action. With no multi million pound transfer solution available, as planned, we had to search for multiple answers to bridge our deficit. This has largely been achieved through a variety of savings, internal austerity measures, revenue advances and debt deferrals of varying magnitude. Our new Chief Executive, Derek Bowden, and our Director of Finance, Mike Cooper, provided invaluable help in implementing these measures and we are grateful to all those parties who have assisted us – in particular, the support of our own staff (playing and non-playing), the vast majority of whom accepted a wage deferral until next summer to assist with the cashflow this season.

The result of these various endeavours is that our finances are now stabilised for this season. The situation remains very tight but there is now a stable platform to enable the Manager and the staff to concentrate on the essential objective of promotion.

At the time of writing this report the Board of Directors are considering some form of share issue to raise additional funding to further strengthen our finances.

It was with great sadness that the Board of Directors took the difficult decision to relieve George Burley from his position as Manager. After the heady successes of our first year back in the Premiership, last season was a year of bitter disappointments, which culminated in our losing Premiership status. This was despite a huge investment in additional players for combined transfer fees of approaching £15 million, together with attendant wage costs. The Board still took the view that George Burley was the right man to lead us back to the Premiership, but this season, even though retaining a Premiership squad, performances have not improved. Given our single-minded ambition to gain promotion this season the Directors decided that it was time to draw a line under a frustrating 12 months. As custodians of Ipswich Town Football Club the Board acted when it did in order to give new management the best possible chance of achieving our goal.

I would like to place on record our immense thanks to George for his outstanding service and many tremendous achievements throughout his tenure. Wembley 2000, finishing fifth in our first season in the Premiership and competing in the UEFA Cup are highlights in our history of which George can be justly proud. He is a man of

honour and integrity and his many skills will no doubt lead to further opportunities and successes in his managerial career. We wish him the very best and every success in the future.

Now begins a new era and I would like to welcome Joe Royle as our new Manager. He is a proven winner and has a tremendous track record. The Board of Directors considered that at this uncertain time it was right to appoint an experienced Manager and to arrest what has been an alarming decline over the past weeks and months. He is a strong and charismatic leader who possesses all the skills to get us back to winning ways and a swift return to the Premiership. Most importantly, he shares our ambition and hunger for success.

I would also like to welcome Derek Bowden as our new Chief Executive. Derek joined us in early July and has already made his mark in a number of areas. His background with Saatchi & Saatchi in the advertising world equips him well for the diverse nature of our business. Like the Team Manager, Derek Bowden reports to me daily and regularly to the Board.

SUMMARY AND OUTLOOK

It has been a see-saw 12 months which have been as disappointing as the previous year was exhilarating. In short, we have failed to adapt the management of our football and transfer activities sufficiently to establish ourselves successfully at the highest level. The effects of relegation, the depression in the transfer market and the massive loss of TV revenue have severely damaged the financial strength of our business. However, thanks to strong financial control over the years, I am confident that we have limited the damage. There is no easy panacea but as a business we are resilient and adaptable.

Our short-term objective is an immediate return to the Premiership but our business is now focussed on the successful management on and off the pitch and it is, in the Board's view, imperative that we maintain a long-term strategy for continued development.

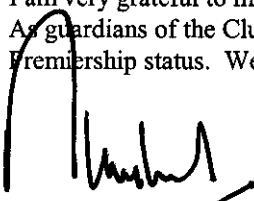
Football is a business where the winner takes all; the penalties for loss of form on the pitch and relegation from the Premiership are horrific. The soundest of businesses – and we were one – would be threatened with what we have had to contend with. Nevertheless, I firmly believe that we can use this experience positively for an even more successful future. We have the resources in terms of a valuable and talented playing squad, exciting prospects within the Academy, a devoted staff and an excellent stadium and infrastructure in order to continue to develop our business.

The level of support is crucial to our long-term success and in this regard I cannot thank our fans enough for their resilience, loyalty, behaviour and phenomenal support, home and away, throughout the disappointments and frustrations of the past year. The fact that we have some 19,000 season ticket holders and several hundred more than last season is a testament to their loyalty.

Our staff too have been superb throughout a turbulent year and I must thank them too for their commitment and dedication to the cause. There is absolutely no complacency and under Derek Bowden's leadership there will be no let up in the pursuit of further improvements.

I would like to thank TXU Energi for their tremendous support throughout the year as main sponsors, together with all our other sponsors and stakeholders who so importantly contribute.

I am very grateful to my fellow Directors and the senior management team for their invaluable advice and support. As guardians of the Club your Board of Directors are determined to arrest the recent slide and return the Club to Premiership status. We look forward to the remainder of the season with confidence and optimism.



David Sheepshanks
Chairman
3 November 2002

Directors' report

The Directors present their annual report and the audited consolidated financial statements for the year ended 30 June 2002. During the year the company acquired three subsidiaries and therefore presents consolidated financial statements for the first time. Details of the subsidiaries and their activities are set out in note 14.

Principal activity and business review

The principal activity of the Group continues to be the operation of a professional football club, together with related ancillary activities. A review of the Group's business and future developments is contained in the Chairman's report on pages 3-7.

Results and dividends

The results for the Group are set out in the profit and loss account on page 12.

The consolidated loss for the year before taxation amounted to £3,297,000 (2001 – profit £2,254,000). The consolidated loss after taxation was £2,617,000 (2001 – profit £1,251,000).

The Directors do not recommend the payment of a dividend (2001 – nil).

Directors and Directors' interests

The Directors, all served throughout the year. Their beneficial and non-beneficial interests in the share capital of the Company were as follows;

Ordinary shares of 25p each		
	30 June 2002	30 June 2001
D R Sheepshanks	1,246	1,246
R J Finbow	150	150
P W Hope-Cobbold	152	152
J Kerr	4,324	4,074
R J Moore	744	744
Lord Ryder	150	150

In addition to the above beneficial shareholdings, D R Sheepshanks and J Kerr are the trustees of the Ipswich Town Football Club Discretionary Trust which holds 7,363 shares. Control of the Trust's shares is held jointly by the two trustees. In the event of a tied vote between the trustees, the Chairman has the casting vote.

In accordance with the Articles of Association, D R Sheepshanks and J Kerr retire by rotation and, being eligible, offer themselves for re-election.

According to the register of Directors' interests, no rights to subscribe for shares in or debentures of the Company were granted to any of the Directors or their immediate families, or exercised by them, during the financial year.

Directors' report *(continued)*

Employee Involvement

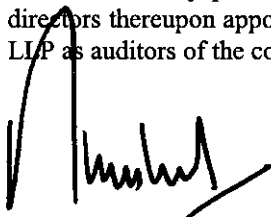
Within the bounds of commercial confidentiality, staff at all levels are kept fully informed of matters that affect the progress of the Group and are of interest to them as employees.

Disabled Employees

The Club gives every consideration to applications for employment from disabled persons where the requirements of the job may be adequately covered by a handicapped or disabled person. If disablement were to occur whilst employed, the Club would, wherever possible, make every effort to continue training and employing the person concerned.

Auditors

KPMG were re-appointed auditors on 3 December 2001. However, since that date their business was transferred to a limited liability partnership, KPMG LLP. Accordingly KPMG resigned as auditors on 13 June 2002 and the directors thereupon appointed KPMG LLP to fill the vacancy arising. A resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.



D R Sheepshanks
Chairman

Portman Road
Ipswich
3 November 2002

Statement of 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 the Group and of the profit or loss 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Report of the independent auditors to the members of Ipswich Town Football Club Company Limited

We have audited the financial statements on pages 12 to 31.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Directors' Report and, as described on page 10, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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.

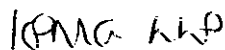
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Fundamental uncertainty – going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the uncertainty as to the continuation and adequacy of the funding of the Group. In view of the significance of this fundamental uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 30 June 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG LLP
Chartered Accountants
Registered Auditor
Ipswich

3 November 2002

Consolidated profit and loss account
for the year ended 30 June 2002

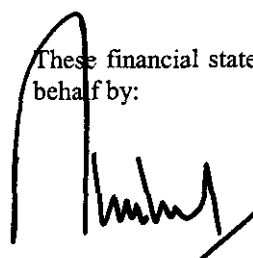
	<i>Note</i>	Operations (excluding player amortisation and trading) year ended 30 June 2002	Player amortisation and trading year ended 30 June 2002	Total Year ended 30 June 2002	13 months ended 30 June 2001 (Restated)
		£ 000's	£ 000's	£ 000's	£ 000's
Turnover	3	37,376	-	37,376	31,334
Cost of Sales		(29,970)	(10,817)	(40,787)	(25,580)
Gross profit/(loss)		7,406	(10,817)	(3,411)	5,754
Administrative expenses		(5,077)	-	(5,077)	(4,752)
Other operating income	4	194	-	194	213
Operating profit/(loss)		2,523	(10,817)	(8,294)	1,215
Profit on disposal of players	5	-	6,600	6,600	2,279
Loss on disposal of tangible fixed assets		-	-	-	(770)
Profit/(loss) before interest and taxation		2,523	(4,217)	(1,694)	2,724
Interest receivable and similar income	9			387	19
Interest payable and similar charges	10			(1,990)	(489)
(Loss)/profit on ordinary activities before taxation	6-8			(3,297)	2,254
Tax on (loss)/profit on ordinary activities	11			680	(1,003)
(Loss)/profit on ordinary activities after taxation				(2,617)	1,251

The above results arose wholly from continuing operations.
The notes on pages 16 to 31 form part of these financial statements.

Consolidated and Company balance sheets at 30 June 2002

	Note	Group 30 June 2002	30 June 2001 (Restated)	Company 30 June 2002	30 June 2001 (Restated)
		£000's	£ 000's	£000's	£ 000's
Fixed assets					
Intangible assets	12	14,226	10,177	14,226	10,177
Tangible assets	13	34,919	18,839	4,347	18,839
Investments	14	-	-	-	-
		<u>49,145</u>	<u>29,016</u>	<u>18,573</u>	<u>29,016</u>
Current assets					
Stocks	15	241	166	241	166
Debtors	16	4,508	4,032	8,631	4,032
Cash at bank and in hand	14	2,842	36	6	36
		<u>7,591</u>	<u>4,234</u>	<u>8,878</u>	<u>4,234</u>
Creditors: amounts falling due within one year	17	<u>(19,990)</u>	<u>(20,601)</u>	<u>(18,259)</u>	<u>(20,601)</u>
Net current liabilities		<u>(12,399)</u>	<u>(16,367)</u>	<u>(9,381)</u>	<u>(16,367)</u>
Total assets less current liabilities		<u>36,746</u>	<u>12,649</u>	<u>9,192</u>	<u>12,649</u>
Creditors: amounts falling due after more than one year	18	<u>(28,850)</u>	<u>(2,582)</u>	<u>(2,198)</u>	<u>(2,582)</u>
Provision for liabilities and charges	11	<u>(600)</u>	<u>(154)</u>	<u>-</u>	<u>(154)</u>
Net assets		<u>7,296</u>	<u>9,913</u>	<u>6,994</u>	<u>9,913</u>
Capital and reserves					
Called up share capital	19	8	8	8	8
Share premium account	20	10	10	10	10
Revaluation reserve	20	4,950	5,154	4,950	5,154
Capital redemption reserve	20	1	1	1	1
Profit and loss account	20	2,327	4,740	2,025	4,740
		<u>7,296</u>	<u>9,913</u>	<u>6,994</u>	<u>9,913</u>
Equity shareholders funds		<u>7,296</u>	<u>9,913</u>	<u>6,994</u>	<u>9,913</u>

These financial statements were approved by the Board of Directors on 3 November 2002 and were signed on its behalf by:


D R Sheepshanks
Chairman


J Kerr
Director

The notes on pages 16 to 31 form part of these financial statements.

Consolidated cash flow statement
for the year ended 30 June 2002

	<i>Note</i>	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
Net cash inflow/(outflow) from operating activities	24	2,356	12,366
Returns on investments and servicing of finance	25	102	(470)
Taxation		(1,100)	-
Capital expenditure	25	(24,725)	(15,547)
Cash outflow before financing		(23,367)	(3,651)
Financing	25	24,811	2069
Increase/(Decrease) in cash in the period	26	1,444	(1,582)

The notes on pages 16 to 31 form part of these financial statements.

Consolidated statement of total recognised gains and losses
for the period ended 30 June 2002

	Year ended 30 June 2002	13 months ended 30 June 2001 (Restated)
	£ 000's	£ 000's
(Loss)/profit for the financial period	(2,617)	1,251
Total recognised gains and losses relating to the financial period	(2,617)	1,251
Prior year adjustment (see note 2)	(154)	
Total recognised losses since last Annual Report	(2,771)	

Note of consolidated historical cost profits and losses
for the year ended 30 June 2002

	Year ended 30 June 2002	13 months ended 30 June 2001 (restated)
	£ 000's	£ 000's
Reported (loss)/profit on ordinary activities before taxation	(3,297)	2,254
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	204	204
Difference between loss on disposal of fixed assets at cost and revalued amount	-	770
Historical cost (loss)/profit on ordinary activities before taxation	(3,093)	3,228
Historical cost (loss)/profit for the period retained after taxation	(2,413)	2,225

Reconciliation of movements in shareholders' funds
for the year ended 30 June 2002

	Group Year ended 30 June 2002	13 months ended 30 June 2001 (Restated)	Company Year ended 30 June 2002	13 months ended 30 June 2001 (Restated)
	£ 000's	£ 000's	£000's	£000's
(Loss)/Profit for the financial period	(2,617)	1,251	(2,919)	1,251
Opening shareholders' funds	9,913	8,662	9,913	8,662
Closing shareholders' funds	7,296	9,913	6,994	9,913

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements except as noted below. The group has adopted FRS19 "Deferred Tax" in these financial statements. The comparative figures have been restated accordingly.

Basis of preparation

The financial statements have been prepared on a going concern basis, and in accordance with applicable accounting standards and under the historical cost accounting rules, modified to include the revaluation of certain long leasehold land and buildings.

The Directors have prepared cash flow projections for the period to 31 December 2003. These projections have been prepared using assumptions that the Directors consider to be appropriate to the current situation of the Group. Key assumptions include the receipts of sums from player transfers and cost savings. The projections do not assume promotion in the current season.

The Group currently has an overdraft facility and bank loans. The Group's lenders have agreed to continue to provide these facilities, although the overdraft is repayable on demand. In addition the Group is actively considering a loan or share issue to provide further finance over the course of the next year and the Directors are optimistic of a successful outcome to any such issue.

Although there can be no certainty in relation to the achievement of the cash flow projections, the Directors consider it appropriate to continue to prepare the financial statements on a going concern basis.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 30 June 2002. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Under section 230(4) of the Companies Act 1985 the Company is exempt from the requirement to present its own profit and loss account.

Intangible fixed assets and amortisation

Intangible fixed assets represent transfer fees associated with the acquisition of players' registrations which are capitalised as intangible fixed assets and amortised over the period of the player's contract. Further contingent payments are capitalised when the likelihood of the payment is probable. Provision for any impairment in value, such as through injury or loss of form, is made when it becomes apparent that the diminution in value is permanent.

Tangible Fixed assets and depreciation

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	Evenly over the estimated life of 50 years
Leasehold land and buildings	-	over 50 years
Computer equipment	-	over 3 years
Motor vehicles	-	over 4 to 5 years
Fixtures, fittings and equipment	-	over 4 to 10 years

No depreciation is provided on freehold land.

Assets in the course of construction are stated at the amount of directly attributed cost to date. No depreciation is provided until the assets are brought into use.

Grants

Grants receivable relating to capital expenditure are treated as deferred income in the balance sheet and released to the profit and loss account over the estimated useful economic lives of the assets to which they relate.

Grants of a revenue nature are credited to the profit and loss account in the period to which they relate.

Signing on fees

Signing on fees are charged to cost of sales over the duration of the player's contract. If a player's registration is fully written down as a result of a permanent diminution in value, the amortisation of the signing on fee is accelerated accordingly. Any adjustment arising on the disposal of a player's registration is included as part of the profit or loss on disposal.

Leases and hire purchase contracts

Assets acquired under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their useful economic lives. The outstanding future lease obligations are included in creditors and the interest element is charged to the profit and loss account over the period of the lease. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs

The Group operates various defined contribution schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period. Amounts due to the Football League Limited Pension and Life Assurance Scheme (suspended in 1999), a defined benefit scheme, are charged to the profit and loss account as advised by the scheme's Actuary.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Taxation

The charge or credit for taxation is based on the result for the year and takes into account deferred taxation because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2 Prior Year Adjustment

The group has adopted the requirements of FRS 19 "Deferred Tax". The effect of this adoption is to reduce net assets at 1 June 2000 by £277,000 through the recognition of a net deferred tax liability. The effect on the prior periods tax charge is a reduction of £123,000.

3 Turnover

Turnover represents all income arising from the ordinary activities of the Group and excludes transfer fees receivable and value added tax.

	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
Gate receipts	7,821	6,651
Commercial income	9,528	6,179
Television/radio and share of Premier League sponsorships	18,499	18,504
TV Rights from UEFA games	1,528	-
	37,376	31,334

4 Other operating income

	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
Donations from:		
East Anglian Sports Association (Ipswich)	175	182
Ipswich Town Development Association	19	24
Ipswich Town Football Club Supporters Association	-	7
	194	213

Notes (continued)

5 Profit on disposal of players

	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
Proceeds for players' registrations sold	6,600	2,620
Less player registrations sold not amortised to date	-	(341)
	<u>6,600</u>	<u>2,279</u>

6 (Loss)/Profit on ordinary activities before taxation

	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
<i>(Loss)/profit on ordinary activities before taxation is stated</i>		
<i>after charging:</i>		
Auditors' remuneration:		
Group - Audit	16	9
Group - Other services	87	125
Company - Audit	12	9
Depreciation and other amounts written off tangible fixed assets:		
Owned	1,086	632
Leased	197	307
Amortisation of players' registrations	10,817	4,489
Loss on disposal of tangible fixed assets	-	770
Hire of plant and machinery - rentals payable under operating leases	205	227
Hire of other assets - operating leases - Ground rent	17	17
- Shop rent	42	53
<i>after crediting:</i>		
Release of capital grant	(74)	(63)

7 Remuneration of directors

	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
Directors' emoluments	129	125
Performance Bonus	-	250
Company contributions to money purchase pension scheme	12	13
	<u>141</u>	<u>388</u>

Notes (continued)

8 Staff numbers and costs

The average number of persons employed by the Group during the year, analysed by category, was as follows:

	Year ended 30 June 2002		13 months ended 30 June 2001	
	Full time	Part time	Full time	Part time
Players	39	-	35	-
Senior coaches and scouts	14	13	13	7
Academy, youth trainees and coaches	29	27	29	26
Commercial	38	20	32	26
Ground staff, Stadium, Cleaning and Security	20	16	15	10
Administration and Finance	23	8	16	3
	<u>163</u>	<u>84</u>	<u>140</u>	<u>72</u>

The above numbers exclude Non-Executive Directors, and also exclude 459 casual employees (2001 : 435) who only work on match days.

The aggregate payroll costs of these persons were as follows:

	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
Wages and salaries	21,818	15,822
Social security costs	2,146	1,645
Other pension costs	205	160
	<u>24,169</u>	<u>17,627</u>

The above figures include benefits in kind.

9 Interest receivable and similar income

	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
Bank and other interest	387	19

Notes (continued)

10 Interest payable and similar charges

	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
On bank loans, overdrafts and loan notes	1,966	366
Finance charges payable in respect of finance leases and hire purchase contracts	24	12
On all other loans	-	111
	<u>1,990</u>	<u>489</u>

11 Taxation

	Year ended 30 June 2002 £ 000's	13 months ended 30 June 2001 £ 000's
UK Corporation tax at 30%	(1,000)	1,126
Prior year over provision	(126)	-
Deferred taxation	446	(123)
	<u>(680)</u>	<u>1,003</u>

Factors affecting the tax charge for the current period

The current tax credit for the period is higher (2001: charge is higher) than the standard rate of corporation tax in the UK 30%, (2001: 30%). The differences are explained below:

	2002 £000's	2001 £000's
<i>Current tax reconciliation</i>		
(Loss)/Profit on ordinary activities before tax	(3,297)	2,254
	<u>(989)</u>	<u>676</u>
Current tax (credit)/charge at 30% (2001: 30%)		
<i>Effects of:</i>		
Expenses not deductible for tax purposes	75	131
Non-taxable income	-	(41)
Capital allowances for period in excess of depreciation	(182)	196
Effect of tax losses	121	(129)
Movement in short term timing differences	(25)	293
	<u>(1,000)</u>	<u>1,126</u>
Total current tax (credit)/charge (see above)		

The amounts provided for deferred taxation at 30 June 2002 are as follows:

	Group		Company	
	2002	2001	2002	2001
	£ 000's	(Restated)	£ 000's	(Restated)
		£ 000's		£ 000's
Difference between accumulated depreciation and capital allowances	710	239	110	239
Losses available for future off-set	(50)	-	(50)	-
Other timing differences	(60)	(85)	(60)	(85)
	<u>600</u>	<u>154</u>	<u>-</u>	<u>154</u>

The Group and Company also has approximately £300,000 of losses available for future offset which have not been provided.

In addition to the above there is also a potential deferred taxation liability of approximately £1,485,000 (2001: £1,550,000) relating to the stadium revaluation which may be reduced by the availability of indexation allowances. This liability would not arise unless the stadium were to be sold. The Directors do not anticipate that the stadium will be disposed of, and accordingly they do not consider that any provision for deferred taxation is necessary.

12 Intangible fixed assets

	Player registrations
	£ 000's
Group and Company	
Cost	
At 1 June 2001	18,334
Additions	14,866
Disposals	-
	<u>33,200</u>
At 30 June 2002	
Amortisation	
At 1 June 2001	8,157
Charged in year	10,817
Disposals	-
	<u>18,974</u>
At 30 June 2002	
Net book value	
At 30 June 2002	<u>14,226</u>
At 30 June 2001	<u>10,177</u>

In accordance with FRS 11 "Impairment of fixed assets and goodwill" the Directors have undertaken a review of the carrying value of player registrations. Certain players were identified as being permanently impaired and, accordingly, additional amortisation of £3,911,000 has been charged in the year.

Notes (continued)

13 Tangible fixed assets

Group

	Assets Under Construction £ 000's	Freehold, Land and Buildings £ 000's	Long Leasehold Land and Buildings £ 000's	Motor Vehicles £ 000's	Fixtures, Fittings, and Equipment £ 000's	Total £ 000's
Group						
Cost or valuation						
At 1 July 2001	2,713	302	14,110	364	4,582	22,071
Additions	-	1,961	13,218	179	2,030	17,388
Disposals	-	-	-	(38)	-	(38)
Transfers	(2,713)	-	2,713	-	-	-
At 30 June 2002	-	2,263	30,041	505	6,612	39,421
Depreciation						
At 1 July 2001	-	-	253	169	2,810	3,232
Charge for year	-	35	414	87	747	1,283
On disposals	-	-	-	(13)	-	(13)
At 30 June 2002	-	35	667	243	3,557	4,502
Net book value						
At 30 June 2002	-	2,228	29,374	262	3,055	34,919
At 30 June 2001	2,713	302	13,857	195	1,772	18,839

Freehold land and assets under construction are not depreciated.

Included in the total net book value of motor vehicles and fixtures, fittings and equipment are the following amounts relating to assets held under finance leases and similar hire purchase contracts.

Group and Company

	Motor vehicles £ 000's	Fixtures, fittings and equipment £ 000's
Net book values		
At 30 June 2002	215	134
At 30 June 2001	170	50
Depreciation		
Year ended 30 June 2002	73	35
13 months to 30 June 2001	63	21

13 Tangible fixed assets (continued)

Company

	Assets Under Construction £ 000's	Freehold, land and buildings £ 000's	Long leasehold land and buildings £ 000's	Motor Vehicles £ 000's	Fixtures, Fittings and Equipment £ 000's	Total £ 000's
Company						
<i>Cost or valuation</i>						
At 1 July 2001	2,713	302	14,110	364	4,582	22,071
Additions	-	1,633	3,810	179	1,358	6,980
Disposals	-	-	-	(38)	-	(38)
Transfers to subsidiary undertaking	(2,713)	-	(17,920)	-	(1,376)	(22,009)
At 30 June 2002	-	1,935	-	505	4,564	7,004
<i>Depreciation</i>						
At 1 July 2001	-	-	253	169	2,810	3,232
Charge for year	-	35	35	87	625	782
On disposals	-	-	-	(13)	-	(13)
Transfer to subsidiary undertaking	-	-	(288)	-	(1,056)	(1,344)
At 30 June 2002	-	35	-	243	2,379	2,657
<i>Net book value</i>						
At 30 June 2002	-	1,900	-	262	2,185	4,347
At 30 June 2001	2,713	302	13,857	195	1,772	18,839

On the 18 August 2001, as part of the requirements for the £25m loan issue, the cost of buildings on the long leasehold land (comprising the Stadium at Portman Road) was transferred at book value from the Company to its subsidiary Ipswich Town Stadium Company Limited. On this date the Portman Road lease between Ipswich Borough Council and the Company was replaced by a new lease between Ipswich Borough Council and Ipswich Town Stadium Company Limited.

Notes (continued)

13 Tangible fixed assets (continued)

The following information relates to tangible fixed assets carried at revalued amounts.

Long leasehold land and buildings

	Group		Company	
	30 June 2002 £ 000's	30 June 2001 £ 000's	30 June 2002 £000's	30 June 2001 £000's
At depreciated replacement cost:				
At valuation at 1 April 2000	9,260	9,260	-	9,260
Subsequent additions	23,035	5,636	-	5,636
Subsequent disposals	(786)	(786)	-	(786)
	31,509	14,110	-	14,110
Aggregate depreciation thereon	(702)	(253)	-	(253)
Net book value	30,807	13,857	-	13,857
Historical cost of revalued assets	27,706	10,308	-	10,308
Aggregate depreciation thereon	(2,001)	(1,755)	-	(1,755)
Historical cost net book value	25,705	8,553	-	8,553

The valuation was performed as at 1 April 2000 by Messrs Wilks, Head and Eve, Chartered Surveyors. The basis of the valuation was depreciated replacement cost as recommended by the Royal Institution of Chartered Surveyors.

Subsequent additions have been accounted for at cost.

The depreciated replacement cost value of land and buildings does not include notional directly attributable acquisition costs and is before deduction of expected selling costs.

The Directors are not aware of any material change in value and therefore the valuations set out above have not been updated.

14 Fixed asset investments

Company – investment in Group undertakings.

The company has the following subsidiary companies, all of which are registered in England and Wales.

Name of Company	% owned	Nature of Business	Shares held
Ipswich Town Stadium Company Limited	100%	Provision of stadium facilities	1 ordinary share of £1
Ipswich Town Finance Company Limited	100%	Issuer of loan notes	1 ordinary share of £1
Ipswich Town Property Company Limited	100%	Property holding company	1 ordinary share of £1

All of these companies were incorporated during the year.

Notes (continued)

Ipswich Town Stadium Company Limited and Ipswich Town Finance Company Limited were established to enable the Group to issue £25 million of loan notes. As part of this new arrangement, Ipswich Town Stadium Company Limited is required to maintain Debt Service Accounts in which ticket revenues must be held to a required amount in order to service future loan repayments. At 30 June 2002 these accounts held £2,836,000 which was not available to the group for working capital purposes.

15 Stocks

	Group 2002 £ 000's	2001 £ 000's	Company 2002 £000's	2001 £000's
Goods for resale	241	166	241	166

16 Debtors

	Group 2002 £ 000's	2001 £ 000's	Company 2002 £000's	2001 £000's
Trade debtors	2,111	2,819	2,111	2,819
Corporation Tax	1,100	-	1,100	-
Other debtors	997	823	997	823
Amounts due from subsidiary undertakings	-	-	4,123	-
Prepayments and accrued income	300	390	300	390
	<u>4,508</u>	<u>4,032</u>	<u>8,631</u>	<u>4,032</u>

Included in trade debtors are amounts totalling £1,550,000 (2001:£1,500,000) in respect of transfer fees receivable.

17 Creditors: amounts falling due within one year

	Group 2002 £000's	2001 £000's	Company 2002 £ 000's	2001 £ 000's
Bank loans	1,025	2,590	1,100	2,590
Bank overdrafts	6,605	5,243	6,605	5,243
Obligations under finance leases and hire purchase contracts (see note 18)	100	83	100	83
Trade creditors	5,892	4,307	5,792	4,307
Corporation Tax	-	1,126	-	1,126
Other taxation and social security	1,167	1,879	1,167	1,879
Other creditors	132	216	132	216
Accruals and deferred income	5,069	5,157	3,363	5,157
	<u>19,990</u>	<u>20,601</u>	<u>18,259</u>	<u>20,601</u>

Included in trade creditors are amounts totalling £3,205,000 (2001:£2,251,000) in respect of transfer fees payable.

The bank overdraft is secured on central sponsorship and media rights. Bank loans include a loan secured on the training ground.

Notes (continued)

18 Creditors: amounts falling due after more than one year

	Group		Company	
	2002	2001	2002	2001
	£ 000's	£000's	£000's	£000's
Loan Notes	24,426	-	-	-
Bank loans	1,874	-	1,749	-
Accruals and deferred income	2,300	2,415	199	2,415
Obligations under finance leases and hire purchase contracts	250	167	250	167
	<u>28,850</u>	<u>2,582</u>	<u>2,198</u>	<u>2,582</u>

The loan notes are repayable in annual instalments over a 25 year period at a fixed interest rate of 8.29%. The first payment under the agreement was paid on 1 September 2002 amounting to £2,054,000 and was an interest only payment. The first capital repayment is due 1 September 2004. The notes will be repaid in a securitisation agreement serviced by future season ticket and matchday ticket sales. The costs involved in raising the finance amounting to £598,000 have been offset against the £25,000,000 loan and are being amortised over the same period as the loan notes.

Included within bank loans is £625,000 (2001: £nil) due after more than five years.

The maturity of obligations under finance leases and hire purchase contracts is as follows:

	Group		Company	
	30 June	30 June	30 June	30 June
	2002	2001	2002	2001
			£ 000's	£ 000's
Within one year	115	109	115	109
In the second to fifth years	286	188	286	188
	<u>401</u>	<u>297</u>	<u>401</u>	<u>297</u>
Less future finance charges	(51)	(47)	(51)	(47)
	<u>350</u>	<u>250</u>	<u>350</u>	<u>250</u>

19 Called up share capital

	Number of shares	£
Authorised 2002 and 2001		
Equity: Ordinary shares of 25p each	40,000	10,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid 2002 and 2001		
Equity: Ordinary shares of 25p each	33,265	8,316
	<u> </u>	<u> </u>

Notes (continued)

20 Reserves

Group	Share premium Account	Revaluation Reserve	Capital Redemption Reserve	Profit and Loss Account (Restated)
	£ 000's	£ 000's	£ 000's	£ 000's
At 1 July 2001	10	5,154	1	4,740
Retained loss for the period	-	-	-	(2,617)
Transfer	-	(204)	-	204
At 30 June 2002	10	4,950	1	2,327

Company	Share premium account	Revaluation reserve	Capital redemption Reserve	Profit and loss account (Restated)
	£ 000's	£ 000's	£ 000's	£ 000's
At 1 July 2001	10	5,154	1	4,740
Retained loss for the period	-	-	-	(2,919)
Transfer	-	(204)	-	204
At 30 June 2002	10	4,950	1	2,025

The transfer between revaluation reserve and profit and loss account represents the additional depreciation borne in the period due to the carrying of certain tangible fixed assets at valuation.

21 Contingent liabilities

The Club is contractually bound to pay additional amounts in respect of transferred players should certain criteria be met. The maximum amount of this contingent liability is £200,000 (2001:£465,000) excluding amounts which have been provided for.

22 Commitments

a) Annual commitments under non-cancellable operating leases are as follows:

	30 June 2002		30 June 2001	
	Land and buildings £ 000's	Other £ 000's	Land and buildings £ 000's	Other £ 000's
Group				
Operating leases which expire:				
Within one year	-	8	-	19
In the second to fifth years inclusive	73	55	37	78
Over five years	15	-	15	-
	<u>88</u>	<u>63</u>	<u>52</u>	<u>97</u>
	30 June 2002		30 June 2001	
	Land and buildings £ 000's	Other £ 000's	Land and buildings £ 000's	Other £ 000's
Company				
Operating leases which expire:				
Within one year	-	8	-	19
In the second to fifth years inclusive	73	55	37	78
Over five years	15	-	15	-
	<u>88</u>	<u>63</u>	<u>52</u>	<u>97</u>

b) Capital commitments at the end of the financial period for which no provision has been made, are as follows:

	Group		Company	
	30 June 2002 £000s	30 June 2001 £000s	30 June 2002 £000s	30 June 2001 £000s
Contracted	<u>3,026</u>	<u>11,877</u>	<u>-</u>	<u>11,877</u>

Notes (continued)

23 Pension commitments

Certain staff of the Company are members of either the Football League Limited Pension and Life Assurance Scheme ('FLLPLAS'), comprising both defined benefit (suspended from 31 August 1999) and defined contribution sections, or the Football League and F.A. Premier League Group Pension Plan, a defined contribution scheme.

As the Company is one of a number of participating employers in the FLLPLAS, it is not possible to allocate any actuarial surplus or deficit and consequently contributions are expensed in the profit and loss account as they become payable. The assets of the schemes are held separately from those of the Company, being invested with insurance companies.

Following a review of the Minimum Funding Requirement (MFR) of the FLLPLAS, accrual of benefits of the final salary section of the scheme was suspended as at 31 August 1999. In light of the exceptional circumstances affecting the scheme, the trustees of the scheme commissioned an independent actuary's report on the MFR position and a substantial deficit was identified. Under the Pensions Act 1985 participating employers will be required to contribute to the deficiency. The Club was advised by the Premier League that a basis of apportionment of the deficit had been approved by the trustees and their advisors, although in practice there are a number of important issues which remain to be resolved that could impact on the final qualification of this liability. The allocation notified to Ipswich Town Football Club was £334,000 and accordingly provision for this amount was made in the financial statements for the period ending 30 June 2001. The charge for the normal pension cost is £205,000 (2001: £160,000). At the year end contributions totalling £28,661 (2001: £13,000) were outstanding.

24 Reconciliation of operating loss to net cash flow from operating activities

	Year ended 30 June 2002 £000's	13 months ended 30 June 2001 £ 000's
Operating (loss)/profit	(8,294)	1,215
Amortisation of players' registrations	10,817	4,489
Depreciation	1,283	938
Release of capital grant	(74)	(63)
Amortisation of capital raising costs	24	-
(Increase) in stocks	(75)	(51)
Decrease/(increase) in debtors	674	(1,535)
(Decrease)/increase in creditors	(1,999)	7,373
Net cash outflow from operating activities	2,356	12,366

Notes (continued)

25 Analysis of cash flows

	30 June 2002		30 June 2001
	£ 000's	£ 000's	£ 000's
Return on investments and servicing of finance			
Interest received	387		19
Interest paid	(285)		(489)
		102	(470)
Capital expenditure			
Purchase of tangible fixed assets	(17,388)		(9,969)
Sale of tangible fixed assets	25		121
Grants received	-		1,072
Purchase of intangible fixed assets	(13,912)		(9,126)
Sale of intangible fixed assets	6,550		2,355
		(24,725)	(15,547)
Financing			
Issue of loan notes	24,402		-
Receipts of new loans	3,299		2,291
Repayment of loans	(2,990)		(200)
Repayment of finance leases	(120)		(91)
New Finance leases	220		69
		24,811	2,069

26 Analysis of net debt

	At 1 July 2001	Cash flow	Other non cash Changes	At 30 June 2002
	£ 000's	£ 000's	£ 000's	£ 000's
Cash at bank and in hand	36	2,806	-	2,842
Overdraft and loans	(5,243)	(1,362)	-	(6,605)
	(5,207)	1,444	-	(3,763)
Debt due within one year	(2,673)	1,715	(167)	(1,125)
Debt due after one year	(167)	(26,550)	167	(26,550)
Total	(8,047)	(23,391)	-	(31,438)

27 Post balance sheet events

Since the year end the Company has sold Titus Bramble and Marcus Stewart. In addition the manager, George Burley, has left the company. It is not currently practical to make an estimate of the cost associated with this departure. Joe Royle has been appointed to fill the manager role.

As noted in Note 22(b), there are £3,026,000 million of capital commitments at the year end. These relate to the completion of the North Stand and other minor works at the Stadium.

28 Related party disclosures

During the period the company paid fees of £148,000 to Ashurst Morris Crisp for legal services (2001: £115,000). Mr R J Finbow, a Director of the Company, is a partner in this firm.