

# **THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**

Company Number: 00028301

## **ANNUAL REPORT**

**YEAR ENDED 31 DECEMBER 2004**



# THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

## COMPANY INFORMATION

<b>Directors</b>	P Caddick P G Hirst G Hetherington C J Ross S Callighan
<b>Secretary</b>	P G Hirst
<b>Company Number</b>	00028301
<b>Registered Office</b>	Headingley St Michaels Lane Leeds Yorkshire LS6 3BR
<b>Auditors</b>	PKF (UK) LLP Pannell House 6 Queen Street Leeds LS1 2TW
<b>Bankers</b>	Cooperative Bank Plc Pennine House Russell Street Park Row Leeds LS1 5RN

# **THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**

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**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**DIRECTORS' REPORT**  
**YEAR ENDED 31 DECEMBER 2004**

The directors submit their report and the financial statements for the year ended 31 December 2004.

**Results and dividends**

The profit for the year, after taxation, amounted to **£452,625** (2003 - £348,746).

The directors recommend a dividend of £5,005 leaving a balance of £447,620 which is transferred to retained reserves.

**Principal activity and review of the business**

The principal activity of the company during the year was the staging of professional Rugby League Football, and Test, International and County Cricket.

The club enjoyed a very successful season both on and off the field in 2004.

Following on from this besides being crowned World Club Champions in February 2005 we also won through to the finals of both the Powergen Challenge Cup and the Grand Final. The Academy teams also finished the season in style both winning through to the Grand Final. Crowds and in particular season ticket holders have been at record levels and the fan base has extended to all corners of the globe via the internet. Retail sales have mirrored this success and the new replica shirt will soon be on sale. The demand for hospitality packages has never been higher with Headingley Experience maintaining standards that have won many plaudits. The deal to sell to YCCC their part of Headingley Stadium together with certain income streams is back on track and this is expected to be concluded before 31 December 2005. Work on the new Carnegie Stand has commenced with practical completion in the summer of 2006. This will be a multifunctional building providing a modern spectator environment, teaching facilities for Leeds Metropolitan University, a cafe and space for functions.

The directors are therefore pleased with the results and look forward to the future with confidence.

**Directors**

The directors who served during the year were:

P Caddick  
P G Hirst  
G Hetherington  
C J Ross  
S Callighan

No director holds any interest in the shares of the company.

Mr P Caddick and his family held a non-beneficial interest of 49,500 ordinary shares and 16,500 "C" shares and a beneficial interest of 500 shares in Caddick Group plc at the beginning and at the end of the year.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**DIRECTORS' REPORT (continued)**  
**YEAR ENDED 31 DECEMBER 2004**

**Employee involvement and employment of disabled persons**

Monthly meetings are held with employee representatives to discuss sales, financial position and prospects. Opportunity is given at these meetings for senior executives to be questioned about matters which concern employees.

The company has continued the policy regarding the employment of disabled persons. Full and fair consideration is given to applications for employment made by disabled persons having regard to their particular aptitudes and abilities.

**Payment policy and practice**

At the year end trade creditors shown in the balance sheet represents 54 days worth of supplies invoiced during the year (2003: 63 days).

No fixed company policy exists. Creditors are paid in accordance with individual terms agreed separately with each creditor.

**Auditors**

On 23 May 2005, PKF transferred their business to PKF (UK) LLP, a limited liability partnership. Under section 26(5) of the Companies Act 1989, the company consented to extend the audit appointment to PKF (UK) LLP from 23 May 2005. Accordingly, the audit report has been signed in the name of PKF (UK) LLP and a resolution for the reappointment of PKF (UK) LLP will be proposed at the forthcoming annual general meeting.

By order of the board

  
**P G Hirst**  
Director

27 October 2005

# **THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**

## **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 of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the directors' report and other information included in the annual report is prepared in accordance with company law in the United Kingdom.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**

We have audited the financial statements of The Leeds Cricket, Football & Athletic Company Limited for the year ended 31 December 2004 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

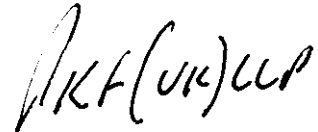
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED (continued)**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PKF (UK) LLP**  
Registered Auditors

Leeds, UK  
27 October 2005



**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2004**

	Notes	2004 £	2003 £
<b>TURNOVER</b>	<b>2</b>	<b>10,192,696</b>	<b>9,391,315</b>
Other operating income		51,251	6,436
Other external charges		(4,543,316)	(4,414,660)
Staff costs	<b>5</b>	<b>(4,791,841)</b>	<b>(4,100,495)</b>
Depreciation and amortisation		<b>(372,357)</b>	<b>(429,678)</b>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>536,433</b>	<b>452,918</b>
Interest payable and similar charges	<b>6</b>	<b>(83,808)</b>	<b>(104,172)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>452,625</b>	<b>348,746</b>
<b>DIVIDENDS</b> (including non-equity)	<b>8</b>	<b>(5,005)</b>	<b>(37,112)</b>
		<b>447,620</b>	<b>311,634</b>

All amounts relate to continuing operations.

There were no recognised gains or losses for the year other than those included in the profit and loss account.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

	2004 £	2003 £
Reported profit on ordinary activities before taxation	452,625	348,746
Difference between a historical cost depreciation charge and actual depreciation charge for the year calculated on the revalued amount	<u>56,241</u>	<u>56,241</u>
<b>Historical cost profit on ordinary activities before taxation</b>	<u><u>508,866</u></u>	<u><u>404,987</u></u>
<b>Historical cost profit retained for the year</b>	<u><u>503,861</u></u>	<u><u>367,875</u></u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**BALANCE SHEET**  
**31 DECEMBER 2004**

	Notes	2004 £	2003 £
<b>FIXED ASSETS</b>			
Intangible	9	-	26,779
Tangible	10	9,192,257	9,034,295
Investments	11	-	20,834
		<u>9,192,257</u>	<u>9,081,908</u>
<b>CURRENT ASSETS</b>			
Stocks	12	376,515	296,636
Debtors	13	2,633,800	2,093,026
Cash at bank and in hand		1,337,767	285,338
		<u>4,348,082</u>	<u>2,675,000</u>
<b>CREDITORS: amounts falling due within one year</b>	14	<u>(7,989,443)</u>	<u>(6,828,574)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(3,641,361)</u>	<u>(4,153,574)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,550,896</u>	<u>4,928,334</u>
<b>CREDITORS: amounts falling due after more than one year</b>	15	(943,776)	(1,037,233)
<b>DEFERRED INCOME</b>	17	(541,693)	(273,294)
<b>NET ASSETS</b>		<u><u>4,065,427</u></u>	<u><u>3,617,807</u></u>
<b>CAPITAL AND RESERVES</b> (including non-equity interests)			
Called up share capital	18	244,192	244,192
Share premium account		9	9
Revaluation reserve	19	3,247,167	3,303,408
Profit and loss account	19	574,059	70,198
<b>SHAREHOLDERS' FUNDS</b>	20	<u><u>4,065,427</u></u>	<u><u>3,617,807</u></u>

The financial statements were approved by the board on 27 October 2005

Signed on behalf of the board of directors



**P G Hirst**

Director

# THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

## CASH FLOW STATEMENT YEAR ENDED 31 DECEMBER 2004

	2004 £	2003 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>		
Operating profit	536,433	452,918
Amortisation of intangible assets	26,779	75,871
Depreciation of tangible fixed assets	345,578	356,562
Impairment of fixed assets	19,697	-
Loss on sale of tangible fixed assets	-	7,526
Increase in debtors	(540,774)	(1,018,296)
Increase in stocks	(79,879)	(7,899)
Increase in creditors	461,872	1,065,649
Loan amortisation	(51,858)	(226,649)
Grant amortisation	(40,705)	(6,436)
<b>Net cash inflow from operating activities</b>	<b>677,143</b>	<b>699,246</b>
<b>CASH FLOW STATEMENT (note 21)</b>		
Net cash inflow from operating activities	677,143	699,246
Returns on investments and servicing of finance	(83,808)	(104,172)
Capital expenditure	(141,442)	(254,514)
	451,893	340,560
<b>Financing</b>	<b>652,194</b>	<b>(15,569)</b>
<b>Increase in cash</b>	<b>1,104,087</b>	<b>324,991</b>
<b>Reconciliation of net cash flow to movement in net debt (note 22)</b>		
Increase in cash in the year	1,104,087	324,991
Cash inflow from increase in debt and lease financing	(852,194)	(184,401)
Loan repayments	200,000	200,000
	451,893	340,590
<b>Change in net debt</b>	<b>(4,910,582)</b>	<b>(5,251,172)</b>
<b>Net debt at 1 January 2004</b>	<b>(4,910,582)</b>	<b>(4,910,582)</b>
<b>Net debt at 31 December 2004</b>	<b>(4,458,689)</b>	<b>(4,910,582)</b>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**1 ACCOUNTING POLICIES**

**(a) Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets, in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 228 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The company has net current liabilities of £3,641,362 (2003: £4,153,574), however included in this figure is £4,652,680 due to group companies.

The company's ultimate parent undertaking, Caddick Group plc, has confirmed that it will maintain its financial support for the foreseeable future to enable the company to continue normal trading operations. The accounts are therefore drawn up on a going concern basis.

**(b) Revenue**

The company takes credit for all revenue, including advertising revenue, and charges direct expenses in respect of football and cricket matches according to the season to which they relate and not on an actual time basis, in accordance with the following rules:

**(i) Football**

All revenue from matches and advertising in one calendar year are included in the accounts for the year ending 25 December 2004.

**(ii) Cricket**

All revenue from matches and advertising in one calendar year are included in the accounts for the year ending 25 December 2004.

**(iii) Lottery**

All revenue from lotteries is shown net of related expenses.

**(c) Intangible fixed assets**

The cost of purchased players' registrations are capitalised and amortised over the period of the respective players' contracts.

Profits or losses on the sale of players represents the transfer fee receivable, net of any transaction costs, less unamortised cost of the player's original registration.

Where the transfer contract specifies that additional fees are due, contingent on a player achieving a specified number of appearances for his new club, or some other contingent event set out in the transfer contract, these additional amounts are accounted for in the year they fall due.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**1 ACCOUNTING POLICIES (continued)**

**(d) Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives as follows:

Freehold buildings	50 years
Floodlights	30 years
Other tangible fixed assets	5 years

Freehold land is not depreciated.

**(e) Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation, except for those timing differences in respect of which the standard specifies that deferred tax should not be recognised.

**(f) Pensions**

The company contributes to a defined contribution pension scheme and the pension charge in the profit and loss account represents the amounts payable by the company to the fund in respect of the year.

**(g) Ground improvements**

Ground improvements are either charged to the profit and loss account or, if of structural significance, capitalised and written off on a straight line basis (see (d) above).

**(h) Development funds**

Income from development funds is credited to the profit and loss account on a receivable basis.

**(i) Operating leases**

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

**(j) Investment income**

Investment income is credited to income when received.

**(k) Government grants**

Grants received in relation to capital expenditure are credited to a deferred income account and amortised over the useful economic life of the assets concerned.

Grants towards revenue expenditure are credited to the profit and loss account as the related expenditure is incurred.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**1 ACCOUNTING POLICIES (continued)**

**(l) Employee Benefit Trusts (EBTs)**

The company has established trusts for the benefit of employees and certain of their dependants. Monies held in these trusts are held by independent trustees and are managed at their discretion. Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals. Where monies held in trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

**(m) Investments**

Investments are stated at cost after provision for impairment.

**(n) Stock**

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is the suppliers' invoice value. Net realisable value is the estimated selling price reduced by all costs of marketing, selling and distribution.

**2 TURNOVER**

Turnover is attributable to one class of business.

All turnover arose within the United Kingdom.

**3 OPERATING PROFIT**

The operating profit is stated after charging:

	2004	2003
	£	£
Amortisation of intangible assets	26,779	75,871
Depreciation of tangible fixed assets:		
- owned by the company	345,578	356,562
Audit fees	17,500	16,500
Auditors' remuneration - non-audit services	22,280	6,900
Operating lease rentals:		
- plant & machinery	42,706	29,188
Amortisation of grant creditor	(40,705)	(6,436)
Amortisation of deferred loan creditor	(51,858)	(226,649)
Loss on sale of investment	19,697	-
	<u>19,697</u>	<u>-</u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**4 DIRECTORS' EMOLUMENTS AND BENEFITS**

	2004	2003
	£	£
Directors' emoluments	180,178	112,779
Contributions to money purchase pension schemes	6,000	6,000
	<u>186,178</u>	<u>118,779</u>
The number of directors accruing benefits under pension schemes were:		
	No	No
Money purchase schemes	1	1
	<u>1</u>	<u>1</u>

**5 STAFF COSTS**

Staff costs, including directors' emoluments, were as follows:

	2004	2003
	£	£
Wages and salaries	4,324,823	3,737,685
Social security costs	371,506	277,835
Other pension costs	95,512	84,975
	<u>4,791,841</u>	<u>4,100,495</u>

The average monthly number of employees, including executive directors, during the year was:

	No	No
Administration	89	78
Ground staff	17	14
Players	64	60
Matchday	239	235
	<u>409</u>	<u>387</u>

Included in wages and salaries are contributions to the Employee Benefit Trust of £254,999 (2003 - £181,470)

**6 INTEREST PAYABLE AND SIMILAR CHARGES**

	2004	2003
	£	£
Bank loans and overdrafts	83,808	102,644
Other loans	-	1,528
	<u>83,808</u>	<u>104,172</u>



**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**7 TAXATION**

**(b) Factors affecting the tax charge for the year**

The tax assessed for the year is lower than would be expected by multiplying profit on ordinary activities by the standard rate of corporation tax in the UK of 30%. The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	<u>452,625</u>	<u>348,746</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax of 30% (2003: 30%)	135,788	104,624
Effects of:		
Expenses not deductible for tax purposes	107,099	72,610
Depreciation in excess of capital allowances	37,101	24,414
General provisions	(21,951)	(21,796)
Loan amortisation	(27,768)	(70,722)
Utilisation of losses brought forward	<u>(230,269)</u>	<u>(109,130)</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

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

There is a deferred tax asset of £65,441 (2003 - £316,802) relating to tax losses. This asset has not been accounted for as there is no evidence that suitable taxable profits will be generated in the foreseeable future.

**8 DIVIDENDS**

	2004 £	2003 £
Final proposed	<u>5,005</u>	<u>37,112</u>
of which:		
Dividends on non-equity shares	<u>5,005</u>	<u>37,112</u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**9 INTANGIBLE FIXED ASSETS**

	Player registrations £
<b>Cost</b>	
At 1 January 2004	352,000
Disposals	(1,500)
At 31 December 2004	<u>350,500</u>
<b>Amortisation</b>	
At 1 January 2004	325,221
Charge for the year	26,779
On disposals	(1,500)
At 31 December 2004	<u>350,500</u>
<b>Net book amount</b>	
At 31 December 2004	-
At 31 December 2003	<u><u>26,779</u></u>

The cost of player registrations are historic cost amounts for purchased players only. Accordingly the net book amount of player registrations will not reflect, nor is it intended to, the current market value of these players nor does it take any account of players developed through the company's youth system.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**10 TANGIBLE FIXED ASSETS**

	Freehold land & buildings £	Floodlights £	Plant & machinery £	Total £
<b>Cost or valuation</b>				
At 1 January 2004	9,557,517	126,569	1,323,817	11,007,903
Additions	406,570	-	96,970	503,540
Disposals	-	-	-	-
Transfers	(36,749)	-	36,749	-
Impairments	-	-	-	-
Reversal of impairment	-	-	-	-
At 31 December 2004	<u>9,927,338</u>	<u>126,569</u>	<u>1,457,536</u>	<u>11,511,443</u>
<b>Depreciation</b>				
At 1 January 2004	945,945	59,882	967,781	1,973,608
Charge for year	198,030	4,219	143,329	345,578
At 31 December 2004	<u>1,143,975</u>	<u>64,101</u>	<u>1,111,110</u>	<u>2,319,186</u>
<b>Net book amount</b>				
At 31 December 2004	<u>8,783,363</u>	<u>62,468</u>	<u>346,426</u>	<u>9,192,257</u>
At 31 December 2003	<u>8,611,572</u>	<u>66,687</u>	<u>356,036</u>	<u>9,034,295</u>

Freehold land and buildings were revalued at 31 December 1997 by Weatherall, Green and Smith at £7,150,000 on the basis of depreciated replacement cost. The revaluation was incorporated into the accounts. The company's policy is now to retain that valuation and show subsequent additions at cost.

The historical cost of the revalued freehold land and buildings is £4,324,374, including land of £325,000

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**11 FIXED ASSET INVESTMENTS**

	Other investments £
<b>Cost</b>	
At 1 January 2004	20,834
Disposals	(20,834)
	<u>-</u>
At 31 December 2004	<u>-</u>

The investment relates to the purchase of £250,000 worth of shares in Hull RLFC by Super League Europe Limited (SLE). SLE held these shares as the authorised agent on behalf of the twelve clubs who participated in the 1999 Super League Season. During the year the investment was realised at an amount less than cost.

**12 STOCKS**

	2004 £	2003 £
Finished goods	376,515	296,636
	<u>376,515</u>	<u>296,636</u>

**13 DEBTORS**

	2004 £	2003 £
<b>Due within one year</b>		
Trade debtors	1,759,339	1,217,092
Other debtors	51,459	50,286
Prepayments & accrued income	823,002	825,648
	<u>2,633,800</u>	<u>2,093,026</u>

**14 CREDITORS**

	2004 £	2003 £
<b>Amounts falling due within one year</b>		
Bank loans and overdrafts (note 16)	200,000	251,658
Trade creditors	691,054	754,859
Amounts owed to group undertakings	3,300,000	3,300,000
Amounts due to parent undertakings	1,352,680	610,057
Other tax and social security	381,842	330,311
Proposed dividends	42,117	37,112
Other creditors	23,980	67,617
Accruals and deferred income	1,997,770	1,476,960
	<u>7,989,443</u>	<u>6,828,574</u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**15 CREDITORS**

	2004 £	2003 £
<b>Amounts falling due after more than one year</b>		
Bank loans (note 16)	943,776	1,034,205
Other creditors	-	3,028
	<u>943,776</u>	<u>1,037,233</u>

**16 LOANS**

Loans fall due for payment as follows:

	2004 £	2003 £
<b>Bank loans</b>		
Within one year	200,000	200,000
Between one and two years	943,776	200,000
Between two and five years	-	834,205
	<u>1,143,776</u>	<u>1,234,205</u>

The company has given a fixed and floating charge over the assets of the company, and first legal charge over The Pavillion, Headingley, to The Co-operative Bank Plc.

**17 DEFERRED INCOME**

	Grants £	Loan £	Total £
At 1 January 2004	220,018	53,276	273,294
Amortisation	(40,705)	(51,858)	(92,563)
Grants received	360,962	-	360,962
<b>At 31 December 2004</b>	<u>540,275</u>	<u>1,418</u>	<u>541,693</u>

The deferred loan relates to agreements whereby funds have been advanced as a loan in order to finance development of the ground and facilities. The original balance is being written off in equal instalments over 10 years in accordance with loan and sponsorship agreements. This loan is secured on terms which rank pari passu with the bank loan security.

The deferred grant income relates to grants received towards the cost of improvements to the freehold land and buildings.

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**18 SHARE CAPITAL**

	Authorised £	Allotted, called up and fully paid No	£
At 1 January 2004 and 31 December 2004			
Ordinary shares of £1 each	500,000	125,029	125,029
Preference shares of £1 each	500,000	119,163	119,163
	<u>500,000</u>	<u>119,163</u>	<u>119,163</u>

The preference shares confer the right to a fixed cumulative dividend of 4.2% per annum.

On a winding up of the company the assets of the company available for distribution amongst the members are to be applied to repay the capital paid upon the preference shares together with any arrears of dividend in priority to payment to any other class of shares.

**19 RESERVES**

<b>Revaluation reserve</b>	£
At 1 January 2004	3,303,408
Depreciation transferred from profit and loss account	(56,241)
At 31 December 2004	<u>3,247,167</u>
<b>Profit and loss account</b>	£
At 1 January 2004	70,198
Profit for the year	452,625
Dividends	(5,005)
Depreciation transferred to revaluation reserve	56,241
At 31 December 2004	<u>574,059</u>

**20 SHAREHOLDERS' FUNDS**

	2004 £	2003 £
Shareholders' funds at 1 January 2004	3,617,807	3,306,173
Profit for the year	452,625	348,746
Dividends	(5,005)	(37,112)
Shareholders' funds at 31 December 2004	<u>4,065,427</u>	<u>3,617,807</u>
Shareholders' funds include amounts attributable to non-equity interests as follows:		
4.2% cumulative preference shares of £1 each	119,163	119,163
Equity interests	3,946,264	3,498,644
Total	<u>4,065,427</u>	<u>3,617,807</u>

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**21 GROSS CASH FLOWS**

	2004 £	2003 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	(83,808)	(104,172)
	<u>(83,808)</u>	<u>(104,172)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	(503,540)	(290,991)
Receipts from sales of fixed asset investments	1,136	-
Receipts from grants	360,962	36,477
	<u>(141,442)</u>	<u>(254,514)</u>
<b>Financing</b>		
Ultimate parent undertaking loan advanced	-	42,865
Fellow subsidiary loan advance	742,623	141,566
Repayment of bank loan	(200,000)	(200,000)
Advance from bank	109,571	-
	<u>652,194</u>	<u>(15,569)</u>

**22 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 January 2004 £	Cash flows £	Other changes £	At 31 December 2004 £
Cash at bank and in hand	285,338	1,052,429	-	1,337,767
Overdrafts	(51,658)	51,658	-	-
		<u>1,104,087</u>		
Debt due within 1 year	(4,110,057)	(742,623)	-	(4,852,680)
Debt due after 1 year	(1,034,205)	90,429	-	(943,776)
	<u>(4,910,582)</u>	<u>451,893</u>	<u>-</u>	<u>(4,458,689)</u>
Total	<u>(4,910,582)</u>	<u>451,893</u>	<u>-</u>	<u>(4,458,689)</u>

**23 OTHER COMMITMENTS**

At 31 December 2004 the company had annual commitments under operating leases as follows:

	2004 £	Other 2003 £
<b>Expiry date:</b>		
Between one and five years	42,706	28,964
	<u>42,706</u>	<u>28,964</u>

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**24 TRANSACTIONS WITH RELATED PARTIES**

The group prepares consolidated accounts therefore the company is exempt from disclosing related party transactions with other group companies as it is more than a 90% subsidiary.

During the year under review the company purchased £120,942 of legal and professional advice from Cobbetts Solicitors; a business in which C Ross, a director of the company is also a partner. As the year ended 31 December 2004 the amount owed to Cobbetts Solicitors was £3,525 (2004: £Nil)

**25 PENSION COSTS**

The company has made payments to a defined contribution pension scheme and individual employee pension plans, the assets of which are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company and amounted to £95,512 (2003 - £84,975).

**26 PARENT UNDERTAKINGS AND CONTROLLING PARTIES**

The company is controlled by Leeds Rugby Limited.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is Caddick Group plc. Consolidated accounts are available from Companies House, Cardiff, CF4 3UZ.

In the opinion of the directors this is the company's ultimate parent company.

Caddick Group plc is ultimately controlled by Mr P Caddick.