



Accountants and business advisors

Leeds

# The Leeds Cricket, Football & Athletic Company Limited

Registered number 00028301

Annual Report

Year ended 31 December 2003



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

## **COMPANY INFORMATION**

<b>Directors</b>	C J Ross G Hetherington P Caddick P G Hirst 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 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**

## **CONTENTS**

	<b>Page</b>
DIRECTORS' REPORT	1 - 2
STATEMENT OF DIRECTORS' RESPONSIBILITIES	3
INDEPENDENT AUDITORS' REPORT	4 - 5
PROFIT AND LOSS ACCOUNT	6
NOTE OF HISTORICAL COST PROFITS AND LOSSES	7
BALANCE SHEET	8
CASH FLOW STATEMENT	9
NOTES TO THE FINANCIAL STATEMENTS	10 - 22

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY  
LIMITED  
DIRECTORS' REPORT  
YEAR ENDED 31 DECEMBER 2003**

The directors submit their report and the financial statements for the year ended 31 December 2003.

**Results and dividends**

The profit for the year, after taxation, amounted to £348,746 (2002 - £54,555 loss).

The directors recommend a dividend of £37,112 leaving a balance of £311,634 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 directors are satisfied with the results for the year and look forward to the future with cautious optimism.

**Directors**

The directors who served during the year and their interests in the company's issued share capital at the balance sheet date and at the start of the year (or date of appointment, if later) were:

C J Ross  
G Hetherington  
P Caddick  
P G Hirst  
S Callighan (appointed 1 May 2003)

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.

**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.

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

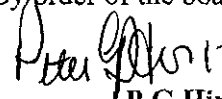
**DIRECTORS' REPORT (continued)  
YEAR ENDED 31 DECEMBER 2003**

**Payment policy and practice**

At the year end trade creditors shown in the balance sheet represents 45 days worth of supplies invoiced during the year (2002: 42 days).

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

By order of the board

  
**P G Hirst**  
Secretary

26 October 2004

**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 2003 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 judgments 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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Leeds, UK  
26 October 2004

**PKF**  
Registered Auditors



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

**PROFIT AND LOSS ACCOUNT  
YEAR ENDED 31 DECEMBER 2003**

	Notes	2003 £	2002 £
<b>TURNOVER</b>	2	9,391,315	8,286,154
Other external charges		(4,408,224)	(4,040,563)
Staff costs	5	(4,100,495)	(3,791,144)
Depreciation and amortisation		(429,678)	(409,922)
<b>OPERATING PROFIT</b>	3	452,918	44,525
Interest payable and similar charges	6	(104,172)	(99,080)
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		348,746	(54,555)
<b>DIVIDENDS</b> (including non-equity)	8	(37,112)	-
		311,634	(54,555)

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**

	2003 £	2002 £
Reported profit/(loss) on ordinary activities before taxation	348,746	(54,555)
Difference between a historical cost depreciation charge and actual depreciation charge for the year calculated on the revalued amount	56,241	56,241
<b>Historical cost profit on ordinary activities before taxation</b>	<u>404,987</u>	<u>1,686</u>
<b>Historical cost profit for the year retained after taxation</b>	<u>367,875</u>	<u>1,686</u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY  
LIMITED**  
**BALANCE SHEET**  
**31 DECEMBER 2003**

	Notes	2003 £	2002 £
<b>FIXED ASSETS</b>			
Intangible	9	26,779	102,650
Tangible	10	9,034,295	9,107,392
Investments	11	20,834	20,834
		<u>9,081,908</u>	<u>9,230,876</u>
<b>CURRENT ASSETS</b>			
Stocks	12	296,636	288,737
Debtors	13	2,093,026	1,074,730
Cash at bank and in hand		285,338	164,681
		<u>2,675,000</u>	<u>1,528,148</u>
<b>CREDITORS: amounts falling due within one year</b>	14	<u>(6,828,574)</u>	<u>(5,673,060)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(4,153,574)</u>	<u>(4,144,912)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,928,334</u>	<u>5,085,964</u>
<b>CREDITORS: amounts falling due after more than one year</b>	15	(1,037,233)	(1,309,889)
<b>DEFERRED INCOME</b>	17	<u>(273,294)</u>	<u>(469,902)</u>
<b>NET ASSETS</b>		<u><u>3,617,807</u></u>	<u><u>3,306,173</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	3,303,408	3,359,649
Profit and loss account	19	70,198	(297,677)
<b>SHAREHOLDERS' FUNDS</b>	20	<u><u>3,617,807</u></u>	<u><u>3,306,173</u></u>

The financial statements were approved by the board on 26 October 2004

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 2003**

	2003 £	2002 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>		
Operating profit	452,918	44,525
Amortisation of intangible assets	75,871	68,709
Depreciation of tangible fixed assets	356,562	325,027
(Increase)/decrease in debtors	(1,018,296)	1,274,489
Increase in stocks	(7,899)	(89,811)
Increase/(decrease) in creditors	1,065,649	(1,062,749)
Loan amortisation	(226,649)	(235,741)
Profit on sale of player registrations	-	(18,623)
Grant amortisation	(6,436)	(1,995)
Loss on sale of tangible fixed assets	7,526	920
<b>Net cash inflow from operating activities</b>	<u>699,246</u>	<u>304,751</u>
 <b>CASH FLOW STATEMENT (note 21)</b>		
Net cash inflow from operating activities	699,246	304,751
Returns on investments and servicing of finance	(104,172)	(93,141)
Capital expenditure	(254,514)	(1,179,961)
	<u>340,560</u>	<u>(968,351)</u>
<b>Financing</b>	(15,569)	1,075,875
	<u>324,991</u>	<u>107,524</u>
<b>Increase in cash</b>		
 <b>Reconciliation of net cash flow to movement in net debt (note 22)</b>		
Increase in cash in the year	324,991	107,524
Cash inflow from increase in debt and lease financing	(184,401)	(1,275,874)
Loan repayments	200,000	200,000
	<u>340,590</u>	<u>(968,350)</u>
<b>Change in net debt</b>		
Net debt at 1 January 2003	(5,251,172)	(4,282,822)
<b>Net debt at 31 December 2003</b>	<u>(4,910,582)</u>	<u>(5,251,172)</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2003**

### **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, and 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's ultimate parent undertaking, Paul Caddick (Holdings) 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 2003.

##### **(ii) Cricket**

All revenue from matches and advertising in one calendar year are included in the accounts for the year ending 31 December 2003.

##### **(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 represent 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 2003**

**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) Operating leases**

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

**(f) 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.

**(g) 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.

**(h) 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).

**(i) Development funds**

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

**(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 2003

### 1 ACCOUNTING POLICIES (continued)

#### (I) 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.

### 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:

	2003	2002
	£	£
Amortisation of intangible assets	75,871	68,709
Depreciation of tangible fixed assets:		
- owned by the company	356,562	325,027
Audit fees	16,500	16,000
Auditors' remuneration - non-audit services	6,900	7,000
Operating lease rentals:		
- plant & machinery	29,188	45,312
Amortisation of grant creditor	6,436	1,995
Amortisation of deferred loan creditor	226,649	235,741
	<u>          </u>	<u>          </u>

### 4 DIRECTORS' EMOLUMENTS AND BENEFITS

	2003	2002
	£	£
Directors' emoluments	112,779	156,321
Contributions to money purchase pension schemes	6,000	12,500
	<u>          </u>	<u>          </u>

The number of directors accruing benefits under pension schemes were:

	No	No
	1	2
Money purchase schemes	<u>          </u>	<u>          </u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2003**

**5 STAFF COSTS**

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

	2003	2002
	£	£
Wages and salaries	3,737,685	3,399,557
Social security costs	277,835	270,732
Other pension costs	84,975	120,855
	<u>4,100,495</u>	<u>3,791,144</u>

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

	No	No
Administration	78	75
Ground staff	14	14
Players	60	55
Matchday	235	237
	<u>387</u>	<u>381</u>

Included in wages and salaries are contributions to the Employee Benefit Trust of £181,470 (2002 - £149,060)

**6 INTEREST PAYABLE AND SIMILAR CHARGES**

	2003	2002
	£	£
Bank loans and overdrafts	102,644	92,128
Other loans	1,528	6,952
	<u>104,172</u>	<u>99,080</u>



# THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2003

### 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:

	2003 £	2002 £
Profit/(loss) on ordinary activities before tax	<u>348,746</u>	<u>(54,555)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax of 30% (2002: 30%)	104,624	(16,367)
Effects of:		
Expenses not deductible for tax purposes	72,610	23,175
Depreciation in excess of capital allowances	24,414	86,684
General provisions	(21,796)	(22,770)
Loan amortisation	(70,722)	(70,722)
Utilisation of losses brought forward	<u>(109,130)</u>	<u>-</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 £316,802 (2002 - £476,837) 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

	2003 £	2002 £
Final proposed	<u>37,112</u>	<u>-</u>
of which:		
Dividends on non-equity shares	<u>37,112</u>	<u>-</u>

During the year the company proposed a dividend of £37,112 in relation to the 4.2% cumulative preference shares to cover dividends in the year and arrears of dividends

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

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2003**

**9 INTANGIBLE FIXED ASSETS**

	Player registrations £
<b>Cost</b>	
At 1 January 2003 and 31 December 2003	352,000
<b>Amortisation</b>	
At 1 January 2003	249,350
Charge for the year	75,871
At 31 December 2003	325,221
<b>Net book amount</b>	
At 31 December 2003	26,779
At 31 December 2002	102,650

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 2003

### 10 TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Floodlights £	Plant & machinery £	Total £
<b>Cost or valuation</b>				
At 1 January 2003	9,331,991	126,569	1,278,508	10,737,068
Additions	225,526	-	65,465	290,991
Disposals	-	-	(20,156)	(20,156)
At 31 December 2003	<u>9,557,517</u>	<u>126,569</u>	<u>1,323,817</u>	<u>11,007,903</u>
<b>Depreciation</b>				
At 1 January 2003	754,779	55,663	819,234	1,629,676
Charge for year	191,166	4,219	161,177	356,562
On disposals	-	-	(12,630)	(12,630)
At 31 December 2003	<u>945,945</u>	<u>59,882</u>	<u>967,781</u>	<u>1,973,608</u>
<b>Net book amount</b>				
At 31 December 2003	<u>8,611,572</u>	<u>66,687</u>	<u>356,036</u>	<u>9,034,295</u>
At 31 December 2002	<u>8,577,212</u>	<u>70,906</u>	<u>459,274</u>	<u>9,107,392</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

### 11 FIXED ASSET INVESTMENTS

	Other investments £
<b>Cost</b>	
At 1 January 2003 and 31 December 2003	<u>20,834</u>

# THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2003

### 11 FIXED ASSET INVESTMENTS (continued)

The investment relates to the purchase of £250,000 worth of shares in Hull RLFC by Super League Europe Limited (SLE). SLE holds these shares as the authorised agent on behalf of the twelve clubs who participated in the 1999 Super League Season.

### 12 STOCKS

	2003	2002
	£	£
Finished goods	296,636	288,737
	<u>296,636</u>	<u>288,737</u>

### 13 DEBTORS

	2003	2002
	£	£
<b>Due within one year</b>		
Trade debtors	1,217,092	606,983
Other debtors	50,286	20,454
Prepayments & accrued income	825,648	447,293
	<u>2,093,026</u>	<u>1,074,730</u>

### 14 CREDITORS

	2003	2002
	£	£
<b>Amounts falling due within one year</b>		
Bank loans and overdrafts (note 16)	251,658	455,992
Trade creditors	754,859	477,454
Amounts owed to group undertakings	3,300,000	3,257,165
Amounts owed to undertakings in which the company has a participating interest	610,057	468,491
Other tax and social security	330,311	71,112
Proposed dividends	37,112	-
Other creditors	67,617	79,663
Accruals and deferred income	1,476,960	863,183
	<u>6,828,574</u>	<u>5,673,060</u>

# THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2003

### 15 CREDITORS

	2003 £	2002 £
<b>Amounts falling due after more than one year</b>		
Bank loans (note 16)	1,034,205	1,234,205
Other creditors	3,028	75,684
	<u>1,037,233</u>	<u>1,309,889</u>

### 16 LOANS

Loans fall due for payment as follows:

	2003 £	2002 £
<b>Bank loans</b>		
Within one year	200,000	200,000
Between one and two years	200,000	200,000
Between two and five years	834,205	1,034,205
	<u>1,234,205</u>	<u>1,434,205</u>

The bank loan for £500,000 is secured by a legal mortgage over the company's freehold property. It is currently under the terms of the original offer, being repaid in annual instalments of £200,000 per annum over the next five years and at a rate of interest of 2% above LIBOR. The terms of the loan agreement also allow the bank to demand immediate repayment at their sole discretion.

The bank loan for £734,205 is to be repaid over 10 years from 29 April 2004 and interest is charged on this loan at 6% per annum.

### 17 DEFERRED INCOME

	Grants £	Loan £	Total £
At 1 January 2003	189,977	279,925	469,902
Amortisation	(6,436)	(226,649)	(233,085)
Grants received	36,477	-	36,477
<b>At 31 December 2003</b>	<u>220,018</u>	<u>53,276</u>	<u>273,294</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.

# THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2003

### 18 SHARE CAPITAL

	Authorised £	Allotted, called up and fully paid No	£
At 1 January 2003 and 31 December 2003			
Ordinary shares of £1 each	500,000	125,029	125,029
4.2% Cumulative 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 2003	3,359,649
Depreciation transferred from profit and loss account	(56,241)
At 31 December 2003	<u>3,303,408</u>
 <b>Profit and loss account</b>	 £
At 1 January 2003	(297,677)
Profit for the year	348,746
Dividends	(37,112)
Depreciation transferred to revaluation reserve	56,241
At 31 December 2003	<u>70,198</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2003**

**20 SHAREHOLDERS' FUNDS**

	2003 £	2002 £
Shareholders' funds at 1 January 2003	3,306,173	3,360,728
Profit/(loss) for the year	348,746	(54,555)
Dividends	(37,112)	-
	<u>3,617,807</u>	<u>3,306,173</u>
Shareholders' funds at 31 December 2003	<u>3,617,807</u>	<u>3,306,173</u>
Shareholders' funds include amounts attributable to non-equity interests as follows:		
4.2% cumulative preference shares of £1 each	119,163	151,270
Equity interests	3,498,644	3,154,903
	<u>3,617,807</u>	<u>3,306,173</u>
Total	<u>3,617,807</u>	<u>3,306,173</u>

**21 GROSS CASH FLOWS**

	2003 £	2002 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	(104,172)	(93,141)
	<u>(104,172)</u>	<u>(93,141)</u>
<b>Capital expenditure</b>		
Payments to acquire intangible fixed assets	-	(45,000)
Payments to acquire tangible fixed assets	(290,991)	(1,362,933)
Receipts from sales of intangible fixed assets	-	36,000
Receipts from grants	36,477	191,972
	<u>(254,514)</u>	<u>(1,179,961)</u>
<b>Financing</b>		
Ultimate parent undertaking loan advanced /(repaid)	42,865	(58,330)
Fellow subsidiary loan advance	141,566	600,000
Repayment of bank loan	(200,000)	(200,000)
New loan	-	734,205
	<u>(15,569)</u>	<u>1,075,875</u>

# THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2003

### 22 ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2003 £	Cash flows £	Other changes £	At 31 December 2003 £
Cash at bank and in hand	164,681	120,657	-	285,338
Overdrafts	(255,992)	204,334	-	(51,658)
		324,991		
Debt due within 1 year	(3,925,656)	(184,401)	-	(4,110,057)
Debt due after 1 year	(1,234,205)	200,000	-	(1,034,205)
Total	<u>(5,251,172)</u>	<u>340,590</u>	<u>-</u>	<u>(4,910,582)</u>

### 23 CAPITAL COMMITMENTS

At 31 December 2003 the company had entered into contracts for capital expenditure not provided for in these accounts amounting to approximately £NIL (2002 - £100,000).

### 24 OTHER COMMITMENTS

At 31 December 2003 the company had annual commitments under operating leases as follows:

	Other 2003 £	2002 £
<b>Expiry date:</b>		
Within one year	-	30,732
Between one and five years	<u>28,964</u>	<u>14,580</u>

### 25 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.

### 26 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 £84,975 (2002 - £120,855).



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

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2003**

**27 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.