

Company Registration No. 02618121 (England and Wales)

**LEEDS RUGBY UNION FOOTBALL CLUB LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**  
**PAGES FOR FILING WITH REGISTRAR**



# LEEDS RUGBY UNION FOOTBALL CLUB LIMITED

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# LEEDS RUGBY UNION FOOTBALL CLUB LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
<b>Current assets</b>					
Debtors	3	74,235		135,178	
Cash at bank and in hand		53,565		4,502	
		<u>127,800</u>		<u>139,680</u>	
<b>Creditors: amounts falling due within one year</b>	4	(83,126)		(554,624)	
<b>Net current assets/(liabilities)</b>			<u>44,674</u>		<u>(414,944)</u>
<b>Capital and reserves</b>					
Called up share capital	5	100,000		100,000	
Other reserves	6	5,154,102		3,869,202	
Profit and loss reserves		(5,209,428)		(4,384,146)	
<b>Total equity</b>			<u>44,674</u>		<u>(414,944)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

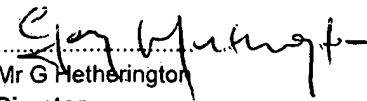
For the financial year ended 30 June 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 15.6.2020 and are signed on its behalf by:

  
Mr G Hetherington  
Director

Company Registration No. 02618121

# LEEDS RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

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### 1 Accounting policies

#### Company information

Leeds Rugby Union Football Club Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Pavilion, Emerald Headingley Stadium, St Michael's Lane, Leeds, LS6 3BR.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The company made losses in the year of £825k (2018: losses of £1.5m) and has net assets at the year end of £45k (2018: £415k net liabilities).

Following the unexpected loss of investor funding, the company faced financial difficulties which led to a Company Voluntary Arrangement being proposed. This was approved by the creditors of the company on 28th June 2019. This led to a dividend of 11.1p in the £ to be paid, which was funded by the company's shareholders.

The company proposed a break even budget for 2019/20 and the financial management information indicates a trading loss of £9k, but retains a positive cashflow position.

Following the challenging circumstances at the start of the season, the club was able to produce a team which met with RFU approval. However, the team has not performed well and following the premature end to the season as a result of the Coronavirus pandemic, the team have been confirmed as relegated into National League 1 in 2020/21.

While the clubs have produced plans for the 2020/21 season, given the ongoing restrictions across the country due to Coronavirus, it is not yet known when the 2020/21 season can begin and if there will be further implications. These circumstances have given rise to a material uncertainty regarding the company's going concern.

#### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied in the year. Turnover is made up of ticket sales, team sponsorship, advertising income, other match day related income and income for the season from the rugby union governing bodies net of Value Added Tax.

#### 1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# LEEDS RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

### 1 Accounting policies

(Continued)

#### 1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# LEEDS RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

### 1 Accounting policies

(Continued)

#### 1.8 Retirement benefits

The company contributes to personal pension plans and the charge represents the amounts payable by the company to the funds in respect of the year.

#### 1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.10 Financial Instruments

Financial instruments may be classed as an equity instrument in accordance with the contractual arrangement rather than the legal form. Included with other equity reserves are amounts representing loans from the parent company which are classed as capital contributions to the company, and therefore equity, as the substance of the arrangement is that the loans are unlikely to be repaid to the parent company.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 68 (2018 - 58)

### 3 Debtors

	2019	2018
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	45,740	3,287
Amounts owed by group undertakings	12,801	7,250
Other debtors	-	17,911
Prepayments and accrued income	15,694	106,730
	<u>74,235</u>	<u>135,178</u>

### 4 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	32,925	452,526
Taxation and social security	19,977	59,695
Other creditors	6,857	9,293
Accruals and deferred income	23,367	33,110
	<u>83,126</u>	<u>554,624</u>

# LEEDS RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

### 5 Called up share capital

	2019 £	2018 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
36,750 A Ordinary shares of £1 each	36,750	36,750
38,250 B Ordinary shares of £1 each	38,250	38,250
25,000 Deferred shares of £1 each	25,000	25,000
	<u>100,000</u>	<u>100,000</u>

Deferred shares carry no voting rights.

### 6 Other reserves

The other reserves of £5,154,102 (2018 - £3,869,202) represent capital contributions from the parent company, Yorkshire Tykes Limited.

### 7 Events after the reporting date

As part of their assessment of the going concern basis of preparation, the directors have considered the impact of the COVID-19 pandemic on the company's trade and the wider economies in which it operates. It is the view of the directors that the events which have significantly impacted the company are the direct result of Government and international policy in response to the pandemic (for example restrictions on travel, trade and personal interactions) and such policy only arose after the balance sheet date. The directors therefore consider the impact of the COVID-19 on the business to be a non-adjusting post-balance sheet event.

### 8 Parent company

The company's immediate and ultimate parent company is Yorkshire Tykes Limited. In the opinion of the director's of that entity there is not one controlling party of the group.