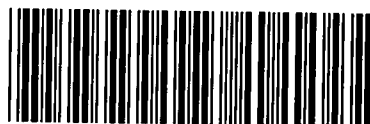


Registered number
07042898

Allamhouse Limited
Group
Report and Financial Statements

31 December 2020

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Allamhouse Limited
Report and accounts
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Allamhouse Limited
Company Information

Directors

Dr A Allam
E Allam

Secretary

E Allam

Auditors

Jacksons
First Floor
Albion House
Albion Street
Hull
HU1 3TE

Bankers

Lloyds Bank PLC
Marina Court
Castle Street
Hull
HU1 1TJ

Registered office

Wyke Way
Melton Business Park
Melton
Hull
HU14 3BQ

Registered number

07042898

Allamhouse Limited**Registered number:**

07042898

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2020.

Principal activities

The company's principal activity during the year continued to be that of a management holding company with subsidiaries carrying on engineering, football and stadium management.

Future developments

See the strategic report.

Dividends

No dividends were paid in the year (2019 - £3,800,000)

Directors

The following persons served as directors during the year:

A Allam

E Allam

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Employment of disabled persons and employee involvement

The company has a policy of giving full and fair consideration of applications for employment made by disabled persons and will, where possible, arrange appropriate training for employees who are disabled at work to allow their employment to continue. The company also has a policy of engaging and consulting with employees to make them aware of matters of concern to them as employees.

This report was approved by the board on 2 July 2021 and signed on its behalf.



Dr A Allam
Director

Allamhouse Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102 and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these 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 UK 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

Allamhouse Limited Strategic Report

Review of the business

The group made a loss for the year after tax of £3,434,410 (2019: Profit £1,950,085).

With the reduced activity due to covid 19 management have acted to reduce liabilities and control working capital. Similarly, attention has been addressed to administrative expenses to ensure the break even point is kept at a competitively low level.

The directors, in accordance with s. 172, seek to promote the long term success of the company and the group, and consider the interests of all stakeholders, by regular director meetings and communication, coupled with the substantial experience of the board members and their varied skills.

Engineering

Turnover for the year has decreased by 38%. Levels of demand are decreasing throughout the global market for generators, evidenced by considerably reduced production by suppliers and competitors. Despite this, the company has maintained its market share. The profit for the financial year before taxation achieved was £2,136,593 (2019-£5,563,271).

Allam Marine Limited is the only company in the group required to make a report on energy and carbon under current legislation regulation. It's report was as follows:

The company has analysed its consumption of UK gas and energy in line with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The total consumption for the year ended 31st December 2020 is 592,755 Kwh, this is split between electricity (569,316 Kwh) and gas (23,439 Kwh). This equates to total UK emissions of 138 tCO₂e and represents an intensity ratio of 3.56 (tCO₂e per £m of turnover).

The company proactively monitors its energy consumption and routinely looks for ways to improve its energy efficiency. Opportunities to improve existing infrastructure, such as upgrading warehouse lighting, are frequently explored.

This is the first year the company has reported under SECR therefore there are no previous period figures to compare. We have collected our energy consumption from our ESOS report and utility bills and used the UK Government GHG Reporting Conversion Factors 2020 to calculate UK energy CO₂ emissions.

Football

The Football Club has spent a very successful year in League 1. They achieved promotion back to the Championship on 24 April 2021, and also won the League 1 Trophy on 1 May 2021 - the Club's first League title for 55 years!

The Club made a profit for the year of £670,155.

Property Development

This subsidiary was sold in the year, resulting in a loss of £3,431,055.

Stadium Management

There was a loss for the year of £1,382,499 which was in line with expectations due mainly to the tenancy agreement with the Rugby Club.

Future developments

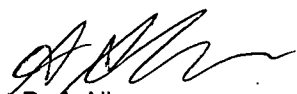
The directors are confident about the future prospects for the group as they believe careful control over the finances should lead to long-term success. The group has very low gearing and is well positioned for the future.

The group has substantial bank balances, no bank borrowings at the year end, and a solid balance sheet very well equipped to take advantage of future opportunities, as they arise.

Principal risks and uncertainties

The principal risks and uncertainties are mainly that group companies are unable to pay management charges and interest. This could happen if there was a downturn in the international market in generators and the football club's performance suffered a serious decline.

This report was approved by the board on 2 July 2021 and signed on its behalf.



Dr A Allam
Director

Allamhouse Limited
Independent auditor's report
to the members of Allamhouse Limited

Opinion

We have audited the financial statements of Allamhouse Limited for the year ended 31 December 2020 which comprise the Group Income Statement, the Group and Company Statement of Financial Position, the Group and Company Statement of Changes in Equity, the Group Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

In our opinion the financial statements:

- give a true and fair view of the state of the group and the company's affairs as at 31 December 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Allamhouse Limited
Independent auditor's report
to the members of Allamhouse Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Allamhouse Limited
Independent auditor's report
to the members of Allamhouse Limited

As part of our planning process:

We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.

We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: FRS 102, Companies Act 2006 and the Health and Safety at Work Act.

We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.

Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.

Reviewed and checked the group consolidation schedules.

Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.

Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to investments, stocks, player values and the provision for bad debts.

Assessing the extent of compliance, or lack of, with the relevant laws and regulations.

Testing key revenue lines.

Performing a verification of key assets.

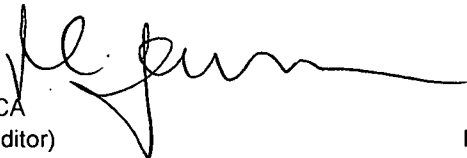
Obtaining third-party confirmation of material balances.

Documenting and verifying all significant related party balances and transactions.

Reviewing documentation such as the company board minutes, and correspondence with solicitors, for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.


Mark Jackson BA FCA
(Senior Statutory Auditor)
for and on behalf of
Jacksons
Accountants and Statutory Auditors
02 July 2021

First Floor
Albion House
Albion Street
Hull
HU1 3TE

Allamhouse Limited
Group Income Statement
for the year ended 31 December 2020

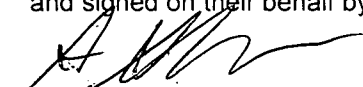
	Notes	2020 £	2019 £
Turnover	3	50,943,691	80,141,420
Cost of sales		(52,027,326)	(82,419,451)
Amortisation of players		(4,233,432)	(11,179,636)
Gross profit/(loss)		<u>(5,317,067)</u>	<u>(13,457,667)</u>
Administrative expenses		(9,550,762)	(14,906,365)
Other operating income		21,922	19,532
Operating profit/(loss)	4	<u>(14,845,907)</u>	<u>(28,344,500)</u>
Loss on sale of fixed assets		(150,168)	-
Loss on sale of group undertaking		(3,427,317)	-
Profit on disposal of players		15,305,257	12,383,115
Parachute payments		610,402	18,575,809
Interest receivable		68,285	177,648
Interest payable	7	(123,384)	(304,505)
Profit/(loss) on ordinary activities before taxation		<u>(2,562,832)</u>	<u>2,487,567</u>
Tax on profit/(loss) on ordinary activities	8	(871,578)	(537,482)
Profit/(loss) for the financial year		<u>(3,434,410)</u>	<u>1,950,085</u>

Allamhouse Limited
Group Statement of Financial Position
as at 31 December 2020

Registered number: 07042898

	Notes	2020 £	2019 £
Fixed assets			
Intangible assets	9	2,768,872	8,538,931
Tangible assets	10	<u>10,506,620</u>	<u>11,868,567</u>
		13,275,492	20,407,498
Current assets			
Stocks	12	32,470,211	37,005,437
Debtors	13	8,431,330	21,870,525
Cash at bank and in hand		<u>19,730,654</u>	<u>25,582,172</u>
		60,632,195	84,458,134
Creditors: amounts falling due within one year	14	(12,137,568)	(37,548,321)
Net current liabilities		<u>48,494,627</u>	<u>46,909,813</u>
Total assets less current liabilities		<u>61,770,119</u>	<u>67,317,311</u>
Creditors: amounts falling due after more than one year	15	(241,960)	(2,250,000)
Provisions for liabilities			
Deferred taxation	17	(25,667)	(130,409)
Net Assets		<u>61,502,492</u>	<u>64,936,902</u>
Capital and reserves			
Called up share capital	18	10,000,000	10,000,000
Profit and loss account	19	51,502,492	54,936,902
Total equity		<u>61,502,492</u>	<u>64,936,902</u>

Approved and authorised for issue by the board on 2 July 2021
and signed on their behalf by:


Dr A Allam
Director

Allamhouse Limited**Company Statement of Financial Position
as at 31 December 2020**

Registered number: 07042898

	Notes	2020 £	2019 £
Fixed assets			
Investments	11	48,250,559	57,225,739
Current assets			
Debtors	13	265,585	294,240
Cash at bank and in hand		10,841,012	2,548,956
		<u>11,106,597</u>	<u>2,843,196</u>
Creditors: amounts falling due within one year	14	(16,210,189)	(15,192,717)
Net current liabilities		<u>(5,103,592)</u>	<u>(12,349,521)</u>
Net assets		<u>43,146,967</u>	<u>44,876,218</u>
Capital and reserves			
Called up share capital	18	10,000,000	10,000,000
Profit and loss account	19	33,146,967	34,876,218
Total equity		<u>43,146,967</u>	<u>44,876,218</u>

Approved and authorised for issue by the board on 2 July 2021 and signed on their behalf by:



Dr A. Allam
Director

Allamhouse Limited
Statement of Changes in Equity
for the year ended 31 December 2020

	Share capital £	Profit and loss account £	Total £
Group			
At 1 January 2019	10,000,000	56,786,817	66,786,817
Profit for the financial year	-	1,950,085	1,950,085
Dividends	-	(3,800,000)	(3,800,000)
At 31 December 2019	<u>10,000,000</u>	<u>54,936,902</u>	<u>64,936,902</u>
At 1 January 2020	10,000,000	54,936,902	64,936,902
Loss for the financial year	-	(3,434,410)	(3,434,410)
At 31 December 2020	<u>10,000,000</u>	<u>51,502,492</u>	<u>61,502,492</u>

	Share Capital £	Profit and loss account £	Total £
Company			
At 1 January 2019	10,000,000	34,630,250	44,630,250
Profit for the financial year	-	4,045,968	4,045,968
Dividends	-	(3,800,000)	(3,800,000)
At 31 December 2019	<u>10,000,000</u>	<u>34,876,218</u>	<u>44,876,218</u>
At 1 January 2020	10,000,000	34,876,218	44,876,218
Loss for the financial year	-	(1,729,251)	(1,729,251)
At 31 December 2020	<u>10,000,000</u>	<u>33,146,967</u>	<u>43,146,967</u>

Allamhouse Limited
Group Statement of Cash Flows
for the year ended 31 December 2020

	2020 £	2019 £
Operating activities		
Operating profit/(loss)	(14,845,907)	(28,344,500)
Adjustments for:		
Exchange losses arising in the year - translation of loans	-	874,303
Net assets of group undertaking sold	(2,443,371)	-
Depreciation	1,079,919	1,669,959
Amortisation of player registrations	4,233,432	11,179,636
Decrease/(increase) in stocks	4,535,226	(1,055,260)
Decrease/(increase) in debtors	13,439,195	843,584
Increase/(decrease) in creditors	(24,915,145)	(10,586,103)
Parachute payments	610,402	18,575,809
	<u>(18,306,249)</u>	<u>(6,842,572)</u>
Interest received	68,285	177,648
Interest paid	(123,384)	(304,505)
Corporation tax paid	(766,528)	(1,373,210)
	<u>(19,127,876)</u>	<u>(8,342,639)</u>
Cash generated by/(used in) operating activities		
Investing activities		
Payments to acquire players	(3,371,169)	(1,111,647)
Payments to acquire tangible fixed assets	(762,748)	(567,212)
Proceeds from sale of players	17,264,107	12,383,115
Proceeds from sale of tangible fixed assets	894,608	87,716
Proceeds from sale of group undertaking	1,965,000	-
	<u>15,989,798</u>	<u>10,791,972</u>
Cash used in/generated by investing activities		
Financing activities		
Equity dividends paid	-	(3,800,000)
Advance/(Repayment) of loans	(3,150,000)	(1,684,752)
Other loans received	436,560	-
	<u>(2,713,440)</u>	<u>(5,484,752)</u>
Cash (used in)/generated by financing activities		
Net cash generated/(used)		
Cash generated by/(used in) operating activities	(19,127,876)	(8,342,639)
Cash (used in)/generated by investing activities	15,989,798	10,791,972
Cash (used in)/generated by financing activities	(2,713,440)	(5,484,752)
	<u>(5,851,518)</u>	<u>(3,035,419)</u>
Net cash generated/(used)		
Cash and cash equivalents at 1 January	25,582,172	28,617,591
Cash and cash equivalents at 31 December	<u>19,730,654</u>	<u>25,582,172</u>
Cash and cash equivalents comprise:		
Cash at bank	<u>19,730,654</u>	<u>25,582,172</u>

Allamhouse Limited
Notes to the Accounts
for the year ended 31 December 2020

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Basis of consolidation

The group financial statements consolidate the financial statements of Allamhouse Limited and its subsidiary undertakings. The acquisition method of accounting has been adopted and goodwill arising on consolidation is amortised to the profit and loss account over its estimated useful economic life, except where this is deemed to be indefinite, when an annual impairment review is carried out.

Advantage has been taken of the exemption not to present the parent company's profit and loss account. The parent company made a loss for the year, after tax, of £1,729,251 (2019 - Profit £4,045,968).

Consolidated goodwill

Consolidated goodwill arising on the acquisition of Allam Developments Limited is not amortised, a departure from the companies legislation to amortise goodwill over a finite period, as in the opinion of the directors, due to the profitability of the company, no amortisation is required. They consider that this treatment gives a true and fair view. Annual impairment reviews are carried out, and where a fall in value is found, provision is made.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract.

Engineering turnover represents the value, net of value added tax, of goods supplied to customers.

Football turnover represents income receivable, net of value added tax, from football and related commercial activities. Gate and other match day revenues are recognised over the period of the football season. Sponsorship and similar commercial income is recognised over the duration of their respective contracts. The fixed element of the broadcasting revenues and facility fees is recognised over the duration of the financial year, additional facility fees arising are taken when earned.

Stadium management income represents the value, net of value added tax, from charging for the use of the stadium and facilities, ticketing services and hospitality.

Property income, presently, represents the value, net of value added tax, of rental income received and income from the operation of a car park.

Player registrations

Player transfer fees and related costs of player registrations are capitalised as intangible fixed assets and are amortised over the period of the player contracts. Coaching staff are also capitalised. Where there has been an impairment in value provisions are made to reflect this.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	2% straight line
Leasehold land and buildings	over the lease term
Plant and machinery	10% straight line
Fixtures, fittings, tools and equipment	10-25% straight line
Motor vehicles	10-25% straight line

Investments

Investments in unquoted equity instruments are measured at fair value. Changes in fair value are recognised in profit or loss. Fair value is estimated by using a valuation technique.

Allamhouse Limited
Notes to the Accounts
for the year ended 31 December 2020

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Properties for development are stated at their valuation when put into trading stock, based upon the directors' valuations and surveyors valuations carried out in 2006.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Financial Instruments

Basic financial instruments are recognised at amortised cost using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

Allamhouse Limited
Notes to the Accounts
for the year ended 31 December 2020

2 Critical accounting estimates and judgements

In order to apply the company's accounting policies, as described in note 1 above, the directors are required to make judgements and estimates in respect of the carrying value of assets and liabilities which may not be apparent from other sources of information. The directors base these critical accounting judgements and estimations on previous historical experience and other factors which the directors judge to be relevant. Judgements and estimates will invariably differ from actual results and hence such judgements and estimates are reviewed by the directors on an ongoing basis.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on the amounts recognised in the financial statements:

Valuation of investments

Investments in unquoted equity and loan instruments are measured at cost less any impairment. The directors constantly review values to assess if any impairment has occurred. Cost is compared to realisable value and impairment made when realisable value is deemed to be less than cost. When considering realisable value the directors take into account potential sales value of the investments together with financial performance and net asset value.

Stocks

Stocks are valued at the lower of cost and net realisable value. Where items are in stock for a long period the directors will estimate their realisable value, and make provision, where necessary. The directors constantly review and consider the stock levels and monitor the sale of items held for long periods. In assessing any provision the directors take into account their past experience of the sale of items and whether the item model has been changed by the supplier.

Provision for bad debts

The directors regularly review the trade debtors outstanding. The majority of debtors are covered by bank guarantees and letters of credit, so will require no provision. Where no such guarantee is in place, the directors will review amounts outstanding and consider collectability of the amount, bearing in mind the past history of the customer and amounts being received on account.

Player values

Players contracts are capitalised and amortised over the period of their contracts. The carrying value of player contracts is reviewed for impairment by the directors regularly in the light of performance and injury.

3 Analysis of turnover

	2020 £	2019 £
Property	189,057	273,609
Engineering	38,870,603	63,316,371
Football	9,734,196	13,407,714
Stadium management	2,149,835	3,143,726
	<u>50,943,691</u>	<u>80,141,420</u>

By geographical market:

UK	16,090,727	22,854,758
Europe	2,032,013	8,648,148
Rest of world	32,820,281	48,638,514
	<u>50,943,691</u>	<u>80,141,420</u>

4 Operating profit

	2020 £	2019 £
This is stated after charging:		
Depreciation of owned fixed assets	1,079,919	1,669,959
Exchange losses arising in the year - trading	270,079	(92,504)
Exchange losses arising in the year - translation of loans	-	874,303
Amortisation of players	4,233,432	11,179,636
Auditors' remuneration for audit services - group	27,000	29,000
Auditors' remuneration for audit services - company	5,500	5,000
Key management personnel compensation (including directors' emoluments)	185,000	185,000
Carrying amount of stock sold	<u>35,891,876</u>	<u>57,017,435</u>

Allamhouse Limited
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5 Directors' emoluments	2020	2019
	£	£
Emoluments	185,000	185,000

6 Staff costs	2020	2019
	£	£
Wages and salaries	12,568,303	21,093,939
Social security costs	1,385,072	2,524,319
Other pension costs	218,614	254,100
	<u>14,171,989</u>	<u>23,872,358</u>

Average number of employees during the year	Number	Number
Operations	202	220
Manufacturing	22	22
Football	120	135
Marketing	75	75
	<u>419</u>	<u>452</u>

7 Interest payable	2020	2019
	£	£
Bank loans and overdrafts	123,384	304,505

8 Taxation	2020	2019
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	951,485	545,141
Deferred tax:		
Origination and reversal of timing differences	(79,907)	(7,659)
	<u>871,578</u>	<u>537,482</u>
Tax on profit on ordinary activities		

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2020	2019
	£	£
Profit on ordinary activities before taxation	<u>(2,562,832)</u>	<u>2,487,567</u>
Standard rate of corporation tax in the UK	19%	19%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	(486,938)	472,638
Effects of:		
Expenses not deductible for tax purposes	748,869	95,610
Capital allowances for period in excess of depreciation	76,148	2,870
Utilisation/ increase of group tax losses	612,911	140,906
Items not taxable	-	-
Adjustments to tax charge in respect of previous periods	495	(166,883)
Current tax charge for period	<u>951,485</u>	<u>545,141</u>

Allamhouse Limited
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9 Intangible fixed assets

Group	Goodwill arising on consolidation £	Goodwill £	Players £	Total £
Cost				
At 1 January 2020	2,948,946	46,995	31,401,948	34,397,889
Additions	-	-	3,371,169	3,371,169
Disposals	(2,948,946)	-	(29,882,039)	(32,830,985)
At 31 December 2020	-	46,995	4,891,078	4,938,073
Amortisation				
At 1 January 2020	-	46,994	25,811,964	25,858,958
Provided during the year	-	-	4,233,432	4,233,432
On disposals	-	-	(27,923,189)	(27,923,189)
At 31 December 2020	-	46,994	2,122,207	2,169,201
Carrying amount				
At 31 December 2020	-	1	2,768,871	2,768,872
At 31 December 2019	2,948,946	1	5,589,984	8,538,931

Consolidated goodwill arose on the acquisition of Allam Developments Limited.

10 Tangible fixed assets

Group	Land and buildings At cost £	Plant and machinery At cost £	Motor Vehicles At cost £	Total £
Cost or valuation				
At 1 January 2020	12,600,108	11,393,690	186,519	24,180,317
Additions	539,795	136,973	85,980	762,748
Disposals	(1,284,428)	(39,899)	(14,772)	(1,339,099)
At 31 December 2020	11,855,475	11,490,764	257,727	23,603,966
Depreciation				
At 1 January 2020	2,176,094	9,957,631	178,025	12,311,750
Charge for the year	187,561	866,823	25,535	1,079,919
On disposals	(247,346)	(32,206)	(14,771)	(294,323)
At 31 December 2020	2,116,309	10,792,248	188,789	13,097,346
Carrying amount				
At 31 December 2020	9,739,166	698,516	68,938	10,506,620
At 31 December 2019	10,424,014	1,436,059	8,494	11,868,567

Allamhouse Limited
Notes to the Accounts
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11 Investments	Shares	Loans	Total
Company	£	£	£
Investments in subsidiary undertakings			
At 1 January 2020	15,225,739	42,000,000	57,225,739
Disposal	(4,975,180)	-	(4,975,180)
Repayments	-	(4,000,000)	(4,000,000)
At 31 December 2020	<u>10,250,559</u>	<u>38,000,000</u>	<u>48,250,559</u>

The company holds 20% or more of the share capital of the following companies:

Company	Activity	Year end	Capital and reserves	Profit (loss) for the year
			£	£
Allam Marine Limited	Engineering	31-Dec	64,749,628	1,817,933
Hull City Tigers Limited	Football	31-Dec	(18,213,203)	670,155
Superstadium Management Company Limited	Stadium management	31-Dec	(16,853,986)	(1,382,499)
Superstadium Holdings Limited	Holding company	31-Dec	(4,566,062)	-
Tempest Diesels Limited	Dormant	31-Dec	100	-

All the subsidiaries have registered offices located within the United Kingdom.

All of the investments are in ordinary shares.

All subsidiaries are held directly by Allamhouse Limited, except for Superstadium Management Company, which is held by Superstadium Holdings Limited.

During the year the group disposed of its subsidiary, Allam Developments Limited. This subsidiary incurred a loss of £1,054,117 in the period to disposal.

12 Stocks	2020	2019
Group	£	£
Raw materials and consumables	32,145,988	33,500,725
Stock of development properties	-	3,170,387
Finished goods and goods for resale	<u>324,223</u>	<u>334,325</u>
	<u>32,470,211</u>	<u>37,005,437</u>

The difference between the purchase price or production cost of stocks and their replacement value is not material.

Allamhouse Limited
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13 Debtors

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	6,281,623	19,384,044	-	-
Amounts owed by group undertakings and undertakings in which	-	-	265,491	294,240
Other debtors	890,786	1,444,047	94	-
Prepayments and accrued income	1,258,921	1,042,434	-	-
	<u>8,431,330</u>	<u>21,870,525</u>	<u>265,585</u>	<u>294,240</u>

14 Creditors: amounts falling due within one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	-	900,000	-	-
Other loans	194,600	-	-	-
Trade creditors	8,205,472	31,209,132	4,423	33,570
Amounts owed to group undertakings and undertakings in which	-	-	16,054,208	15,091,342
Corporation tax	430,458	220,666	113,324	-
Other taxes and social security costs	383,334	737,294	33,734	-
Other creditors	535,212	299,713	-	19,060
Accruals and deferred income	2,388,492	4,181,516	4,500	48,745
	<u>12,137,568</u>	<u>37,548,321</u>	<u>16,210,189</u>	<u>15,192,717</u>

15 Creditors: amounts falling due after one year
Group

	2020	2019
	£	£
Bank loans	-	2,250,000
Other loans	241,960	-
	<u>241,960</u>	<u>2,250,000</u>

16 Bank Loans

	2020	2019
	£	£
Analysis of maturity of debt		
Within one year or on demand	-	900,000
Between one and two years	-	900,000
Between two and five years	-	450,000
After five years	-	-
	<u>-</u>	<u>2,250,000</u>

The bank loans are secured on residential and commercial property owned by the group.

17 Deferred taxation
Group

	2020	2019
	£	£
Revaluation of land and buildings	-	105,586
Accelerated capital allowances	25,667	24,823
	<u>25,667</u>	<u>130,409</u>

	2020	2019
	£	£
At 1 January	130,409	138,068
Credited to the profit and loss account	(79,907)	(7,659)
Sale of subsidiary undertaking	(24,835)	-
At 31 December	<u>25,667</u>	<u>130,409</u>

Allamhouse Limited
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18 Share capital	Nominal value	2020 Number	2020 £	2019 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	10,000,000	10,000,000	10,000,000

19 Profit and loss account	Group		Company	
	2,020	2,019	2020	2019
	£	£	£	£
At 1 January	54,936,902	56,786,817	34,876,218	34,630,250
(Loss)/Profit for the financial year	(3,434,410)	1,950,085	(1,729,251)	4,045,968
Dividends	-	(3,800,000)	-	(3,800,000)
At 31 December	<u>51,502,492</u>	<u>54,936,902</u>	<u>33,146,967</u>	<u>34,876,218</u>

20 Dividends	2020	2019
	£	£
Dividends on ordinary shares (note 19)	<u>-</u>	<u>3,800,000</u>

21 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

	Land and buildings	Land and buildings
	2020	2019
	£	£
Falling due:		
within one year	1,010,893	918,994
within two to five years	4,043,572	3,675,976
in over five years	<u>26,842,253</u>	<u>25,272,335</u>
	<u>31,896,718</u>	<u>29,867,305</u>

22 Contingent liabilities

The group's football subsidiary has potential obligations, depending on player appearances and performances, of £1,677,094 (2019 - £5,254,598).

Allamhouse Limited
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23 Related party transactions

During the year, the subsidiary, Allam Developments Limited, was sold, and ceased to be a member of the group. E Allam, a director, purchased 33 1/3% of the shares in this transaction.

After the above subsidiary left the group, a property was sold to it for £345,000.

Both of the above transactions were on an arm's length basis, based upon professional valuations.

While Allam Developments Limited was a subsidiary its insurance costs were met by the group.

Tax losses of £632,668 were surrendered by Allam Developments Limited to the group.

24 Controlling party

The company is controlled by Dr A Allam.

25 Presentation currency

The financial statements are presented in Sterling, its functional currency.

26 Legal form of entity and country of incorporation

Allamhouse Limited is a private company limited by shares and incorporated in England.

27 Principal place of business

The address of the company's principal place of business and registered office is:

Wyke Way
Melton
Hull
HU14 3BQ