

REGISTERED NUMBER. 00045611 (England and Wales)

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2008

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**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

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FOR THE YEAR ENDED 30 JUNE 2008**

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**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2008**

DIRECTORS:

S N Wright
D M Beck
Mrs J Foster
R Dorrian
C J Travers
Lindum Group Limited
Lincolnshire Co-operative Limited
K Cooke

SECRETARY:

P Elliott

REGISTERED OFFICE:

Sincil Bank Stadium
Lincoln
Lincolnshire
LN5 8LD

REGISTERED NUMBER:

00045611 (England and Wales)

AUDITORS:

Duncan & Toplis
4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR

BANKERS

The Co-operative Bank
Saltergate
Lincoln
LN2 1DG

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2008**

The directors present their report with the accounts of the company for the year ended 30 June 2008

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of running a professional football club and ancillary bar and catering operations

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts

The principal activity of the company in the year under review was that of running a professional football club and ancillary bar and catering operations

The results for the year and financial position of the company are as shown in the annexed financial statements

	2008 £	2007 £	2006 £	2005 £
Turnover	2,543,322	3,010,821	2,764,074	2,605,419
Staff Cost	<u>1,647,225</u>	<u>1,824,844</u>	<u>1,746,015</u>	<u>1,414,937</u>
Gross Profit	896,097	1,185,977	1,018,059	1,190,482
Gross profit margin %	35.23	39.39	36.83	45.69
Profit/(loss) on ordinary activities before taxation	(282,060)	822	1,074	162,007
% of profit/(loss) on ordinary activities before taxation	-11.09	0.03	0.04	6.22

Following three seasons of growth in attendances and turnover culminating in a peak average attendance figure of 5,176 in 2006/07, a season which coincidentally also saw the Club record its highest league position for a decade, 2007/08 saw a decline in fortunes on the field, a subsequent decline in average attendances from 5,176 to 4,080 and a decline in turnover from £3,010,821 to £2,543,322

The board set budgets for 2007/08 to enable the club to continue to progress its investment in the playing squad, youth development, the training ground and stadium maintenance. The overall budget was set at break even, based on maintaining the previous season's gate receipts but underpinned by projected new investment to ensure the financial stability of the club. The poor performance on the pitch resulted in a reduction in gate receipts of circa £280,000 and it is that which has been the main contributing factor towards the £282,000 loss for the trading period. The Club also failed to progress in any cup competition and for the first time in five seasons failed to reach the playoffs.

Commercial and bar and catering income was also affected by the reduction in attendances with their impact being balanced by cost saving measures implemented over the year.

Having generated profits over the past five years and used the surplus to repay historic debt, the board now budget to balance the cash position rather than create a surplus. This approach has enabled the board to retain valued players during a downturn and to continue our investment programme aimed at creating a Championship equipped Club.

The Club's overall cash position for the year shows a £15,000 increase due partly to the final payment of the Jeff Hughes transfer fee and to the continued investment by existing shareholders, new Associate Directors and full Directors.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

LINCOLN CITY FOOTBALL CLUB COMPANY LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2008

In respect of bank balances the liquidity risk is managed by maintaining a balance between continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The board has focused on maintaining a stable cash position and the £15,000 increase over the period has resulted in there being no need to increase the overdraft facilities.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2008.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2007 to the date of this report.

S N Wright
D M Beck
Mrs J Foster
R Dorrian
C J Travers
Lindum Group Limited
Lincolnshire Co-operative Limited

Other changes in directors holding office are as follows:

K Cooke - appointed 27 March 2008

S N Wright, R Dorrian and Lincolnshire Co-operative Limited retire by rotation and being eligible offer themselves for re-election.

The beneficial interests of the directors holding office on 30 June 2008 in the issued share capital of the company were as follows:

	30 06 08	01 07 07 or date of appointment if later
Ordinary 50p shares		
S N Wright (Including Gusto Construction Limited)	122,210	122,210
D M Beck	320	200
Mrs J Foster	5,390	4,900
R Dorrian	100,010	100,010
C J Travers (Including T&R (Management) Limited)	315,147	102,000
Lindum Group Limited	118,140	118,140
Lincolnshire Co-operative Limited	215,101	215,101
K Cooke	100,310	100,310

D M Beck and Mrs J Foster represent the interests of Lincoln City Supporters Society Limited which owned 1,023,362 shares at 30 June 2008 (2007: 1,002,804).

POLITICAL AND CHARITABLE CONTRIBUTIONS

The club would like to thank all supporter organisations for donations made during the year and especially:

	2008 £
Red Imps Travel Section	6,000
Lincoln & District Football Supporters Club	13,700
Lincoln City Supporters Society Limited	10,750

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2008**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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,
- 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 to 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Duncan & Topliss, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD


S N Wright - Director

2 October 2008

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

We have audited the financial statements of Lincoln City Football Club Company Limited for the year ended 30 June 2008 on pages six to seventeen. 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 auditors' 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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page four.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Report of the Directors 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 International Standards on Auditing (UK and Ireland) 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.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2008 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements.



Duncan & Topliss
4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR

Date 29 October 2008

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2008**

	Notes	2008 £	2007 £
GROSS PROFIT		1,030,977	1,328,294
Administrative expenses		<u>1,295,839</u>	<u>1,316,950</u>
OPERATING (LOSS)/PROFIT	4	(264,862)	11,344
Interest payable and similar charges	5	<u>17,198</u>	<u>10,522</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(282,060)	822
Tax on (loss)/profit on ordinary activities	6	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(282,060)</u>	<u>822</u>
(DEFICIT)/PROFIT FOR THE YEAR		(282,060)	822
Deficit brought forward		<u>(1,285,011)</u>	<u>(1,318,541)</u>
		(1,567,071)	(1,317,719)
Transfer of amount equivalent to additional depreciation on revalued assets		<u>32,708</u>	<u>32,708</u>
DEFICIT CARRIED FORWARD		<u>(1,534,363)</u>	<u>(1,285,011)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year

The notes form part of these abbreviated accounts

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 2008**

	2008 £	2007 £
REPORTED (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(282 060)	822
Transfer of amount equivalent to additional depreciation on revalued assets	<u>32,708</u>	<u>32 708</u>
HISTORICAL COST (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>(249,352)</u>	<u>33,530</u>
HISTORICAL COST (LOSS)/PROFIT FOR THE YEAR RETAINED AFTER TAXATION	<u>(249,352)</u>	<u>33,530</u>

The notes form part of these abbreviated accounts

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**ABBREVIATED BALANCE SHEET
30 JUNE 2008**

		2008		2007	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		2 320,282		2,384,207
Investments	10		<u>1</u>		<u>1</u>
			2,320,283		2 384,208
CURRENT ASSETS					
Stocks	11	59,328		27,285	
Debtors	12	190,996		552,203	
Cash at bank and in hand		<u>99,708</u>		<u>90,361</u>	
		350,032		669,849	
CREDITORS					
Amounts falling due within one year	13	<u>709,041</u>		<u>925,356</u>	
NET CURRENT LIABILITIES			<u>(359,009)</u>		<u>(255 507)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,961,274		2,128,701
CREDITORS					
Amounts falling due after more than one year	14		<u>378,440</u>		<u>395,327</u>
NET ASSETS			<u>1,582,834</u>		<u>1,733 374</u>
CAPITAL AND RESERVES					
Called up share capital	17		1,997,941		1,866,421
Revaluation reserve	18		1,119,256		1,151,964
Profit and loss account			<u>(1,534,363)</u>		<u>(1,285,011)</u>
SHAREHOLDERS' FUNDS	20		<u>1,582,834</u>		<u>1,733,374</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 2 October 2008 and were signed on its behalf by



S N Wright - Director

The notes form part of these abbreviated accounts

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	Notes	£ 2008	£ 2007
		£	£
Net cash outflow from operating activities	1	(58,501)	(208,476)
Returns on investments and servicing of finance	2	(17,198)	(10,522)
Capital expenditure	2	<u>(24,773)</u>	<u>(77,617)</u>
		(100,472)	(296,615)
Financing	2	<u>115,694</u>	<u>43,220</u>
Increase/(Decrease) in cash in the period		<u>15,222</u>	<u>(253,395)</u>

**Reconciliation of net cash flow
to movement in net debt**

	3		
Increase/(Decrease) in cash in the period		15,222	(253,395)
Cash outflow from decrease in debt		<u>15,825</u>	<u>102,121</u>
Change in net debt resulting from cash flows		<u>31,047</u>	<u>(151,274)</u>
Movement in net debt in the period		31,047	(151,274)
Net (debt)/funds at 1 July		<u>(99,240)</u>	<u>52,034</u>
Net debt at 30 June		<u>(68,193)</u>	<u>(99,240)</u>

The notes form part of these abbreviated accounts

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

**1 RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH OUTFLOW FROM
OPERATING ACTIVITIES**

	2008	2007
	£	£
Operating (loss)/profit	(264,862)	11,344
Depreciation charges	88,699	104,814
Profit on disposal of fixed assets	-	(1,801)
Increase in stocks	(32,043)	(3,026)
Decrease/(Increase) in debtors	361,207	(176,263)
Decrease in creditors	<u>(211,502)</u>	<u>(143,544)</u>
Net cash outflow from operating activities	<u>(58,501)</u>	<u>(208,476)</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2008	2007
	£	£
Returns on investments and servicing of finance		
Interest paid	(17,198)	(10,522)
Net cash outflow for returns on investments and servicing of finance	<u>(17,198)</u>	<u>(10,522)</u>
Capital expenditure		
Purchase of tangible fixed assets	(24,773)	(80,205)
Sale of tangible fixed assets	<u>-</u>	<u>2,588</u>
Net cash outflow for capital expenditure	<u>(24,773)</u>	<u>(77,617)</u>
Financing		
Loan repayments in year	(15,826)	(102,121)
Share issue	<u>131,520</u>	<u>145,341</u>
Net cash inflow from financing	<u>115,694</u>	<u>43,220</u>

The notes form part of these abbreviated accounts

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 7 07 £	Cash flow £	At 30 6 08 £
Net cash			
Cash at bank and in hand	90,361	9,347	99,708
Bank overdraft	<u>(5,875)</u>	<u>5,875</u>	<u>-</u>
	<u>84,486</u>	<u>15,222</u>	<u>99,708</u>
Debt			
Debts falling due within one year	(25,544)	8,354	(17,190)
Debts falling due after one year	<u>(158,182)</u>	<u>7,471</u>	<u>(150,711)</u>
	<u>(183,726)</u>	<u>15,825</u>	<u>(167,901)</u>
Total	<u>(99,240)</u>	<u>31,047</u>	<u>(68,193)</u>

The notes form part of these abbreviated accounts

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements, which disclose net current liabilities at both 30 June 2007 and 30 June 2008, continue to be prepared on the going concern basis as the group has adequate finance facilities in place

Accounting convention

The financial statements have been prepared under the historical cost convention, modified by the revaluation of certain fixed assets

Exemption from preparing consolidated financial statements

The financial statements contain information about Lincoln City Football Club Company Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements

Turnover

Turnover represents gate monies, football league levy and cup pool, advertising and sponsorship deals, bar and catering, retail shop and all weather pitch income, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	- 2% on cost
All weather pitch	- 2% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. No provision has been made for any potential taxation liability that might arise if the assets were realised at the revalued amount

Leases

Assets held under finance leases and hire purchase contracts and the related lease obligations are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a reducing balance basis over the shorter of the lease term and the useful life of the asset. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable, so that the charge for each accounting period is a constant percentage of the original capital sum. Rentals payable under leases are charged on a straight line basis over the term of the lease

Pension costs and other post-retirement benefits

Pensions are paid to some employees' personal pension plans. These costs are charged to the profit and loss account as they occur

Other operating income

Other operating income represents receipts from fundraising and donations, and income from concerts and events

Government grants

Government grants received are treated as deferred creditors and credited to the profit and loss account over the estimated useful life of the relevant fixed assets

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 JUNE 2008**

1 ACCOUNTING POLICIES - continued

Players

Transfer fees paid are subject to an initial review and capitalised at their recoverable amount. Capitalised amounts are amortised to the profit and loss account over the period of the player's contract and carrying amounts are periodically reassessed against the recoverable amount.

2 OTHER OPERATING INCOME

	2008	2007
	£	£
Sundry receipts	13,333	13,333
Concerts and events	8,151	13,425
Fundraising and donations	103,980	106,143
Release of grant	<u>9,416</u>	<u>9,416</u>
	<u>134,880</u>	<u>142,317</u>

3 STAFF COSTS

	2008	2007
	£	£
Wages and salaries	1,504,697	1,664,651
Social security costs	135,331	156,243
Other pension costs	<u>7,197</u>	<u>3,950</u>
	<u>1,647,225</u>	<u>1,824,844</u>

The average monthly number of employees during the year was as follows

	2008	2007
Players	27	27
Support staff	<u>77</u>	<u>70</u>
	<u>104</u>	<u>97</u>

4 OPERATING (LOSS)/PROFIT

The operating loss (2007 - operating profit) is stated after charging/(crediting)

	2008	2007
	£	£
Hire of plant and machinery	25,872	32,423
Depreciation - owned assets	88,698	81,982
Profit on disposal of fixed assets	-	(1,801)
Players amortisation	-	22,833
Auditors' remuneration	<u>5,875</u>	<u>5,200</u>
Directors' emoluments	<u>-</u>	<u>-</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2008	2007
	£	£
Interest	<u>17,198</u>	<u>10,522</u>

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 JUNE 2008**

6 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2008 nor for the year ended 30 June 2007

Factors that may affect future tax charges

Losses carried forward amounted to £3,265,224 (2007 £3,014,205). No provision has been made for a deferred taxation asset as the recoverability of these losses against future profits is uncertain

7 SEGMENTAL INFORMATION

The turnover, loss before taxation and net assets are attributable to the principal activity of running a professional football club and ancillary bar and catering operations. The company operates in the United Kingdom and the whole of the turnover is to the UK market

8 INTANGIBLE FIXED ASSETS

The net book value of intangible assets at 30 June 2008 was £Nil (2007 £Nil)

9 TANGIBLE FIXED ASSETS

	Freehold property £	All weather pitch £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 July 2007	2,865,838	301,009	513,445	21,600	3,701,892
Additions	<u>1,998</u>	<u>-</u>	<u>12,425</u>	<u>10,350</u>	<u>24,773</u>
At 30 June 2008	<u>2,867,836</u>	<u>301,009</u>	<u>525,870</u>	<u>31,950</u>	<u>3,726,665</u>
DEPRECIATION					
At 1 July 2007	707,939	151,547	454,775	3,424	1,317,685
Charge for year	<u>57,318</u>	<u>6,020</u>	<u>19,655</u>	<u>5,705</u>	<u>88,698</u>
At 30 June 2008	<u>765,257</u>	<u>157,567</u>	<u>474,430</u>	<u>9,129</u>	<u>1,406,383</u>
NET BOOK VALUE					
At 30 June 2008	<u>2,102,579</u>	<u>143,442</u>	<u>51,440</u>	<u>22,821</u>	<u>2,320,282</u>
At 30 June 2007	<u>2,157,899</u>	<u>149,462</u>	<u>58,670</u>	<u>18,176</u>	<u>2,384,207</u>

Freehold property is included in the accounts at valuation and other tangible fixed assets at historical cost. The St Andrews Stand and Stacey West Stand were revalued by the directors in the year 1990/91 and the South Park Stand revalued in 1992/93. In 1993/94 the Stacey West Stand was revalued by a further £300,000 and other ground improvements by £91,022. In 1994/95 the Sincil Bank Stand was completed and revalued by £719,821. Had the revaluations not been carried out, the original cost less grants of the stands and buildings would have been £681,371 and the net book value £472,312.

The transitional provisions of FRS 15 are being followed and the valuation has not been updated.

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 JUNE 2008**

10 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 July 2007	
and 30 June 2008	<u>1</u>
NET BOOK VALUE	
At 30 June 2008	<u>1</u>
At 30 June 2007	<u>1</u>

The company's investments at the balance sheet date in the share capital of companies include the following

Lincoln City Football Club Centre of Excellence Limited
Nature of business Development of sporting excellence

Class of shares	% holding	2008	2007
Ordinary	100.00	£	£
Aggregate capital and reserves		<u>1</u>	<u>1</u>

11 STOCKS

	2008	2007
	£	£
Goods for resale	<u>59,328</u>	<u>27,285</u>

12 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Trade debtors	146,795	505,230
Other debtors	5,029	209
Prepayments and accrued income	<u>39,172</u>	<u>46,764</u>
	<u>190,996</u>	<u>552,203</u>

13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Bank loans and overdrafts (see note 15)	8,370	13,759
Other loans (see note 15)	8,820	17,660
Trade creditors	63,956	42,716
Other taxes and social security	97,166	188,384
Deferred capital grant	9,416	9,416
Accruals and deferred income	<u>521,313</u>	<u>653,421</u>
	<u>709,041</u>	<u>925,356</u>

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 JUNE 2008**

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

The bank loan has an interest charge of 1.875% above the bank base rate and is secured by a legal mortgage over the freehold property known as 'The Playzone'. There is also a second legal charge held over the registered freehold property known as 'Sincil Bank Stadium'.

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2008 £	2007 £
Bank loans (see note 15)	150,711	158,182
Deferred capital grant	227,729	237,145
	<u>378,440</u>	<u>395,327</u>

15 LOANS

An analysis of the maturity of loans is given below

	2008 £	2007 £
Amounts falling due within one year or on demand		
Bank overdrafts	-	5,875
Bank loans	8,370	7,884
Other loans	8,820	17,660
	<u>17,190</u>	<u>31,419</u>

Amounts falling due between one and two years

Bank loans - 1-2 years	<u>8,939</u>	<u>8,420</u>
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Amounts falling due between two and five years

Bank loans - 2-5 years	<u>30,635</u>	<u>28,953</u>
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Amounts falling due in more than five years

Repayable by instalments		
Bank loans	<u>111,137</u>	<u>120,809</u>

16 SECURED DEBTS

The following secured debts are included within creditors

	2008 £	2007 £
Bank overdraft	-	5,875
Bank loans	<u>159,081</u>	<u>166,066</u>
	<u>159,081</u>	<u>171,941</u>

**LINCOLN CITY FOOTBALL CLUB COMPANY
LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 JUNE 2008**

17 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	2008 £	2007 £
6,000,000	Ordinary	50p	<u>3,000,000</u>	<u>3,000,000</u>
Alotted, issued and fully paid Number	Class	Nominal value	2008 £	2007 £
3,995,882 (2007 - 3,732,843)	Ordinary	50p	<u>1,997,941</u>	<u>1,866,421</u>

During the year the company issued 263,040 shares (2007 290,683 shares), to further the aims of the company

18 RESERVES

	Revaluation reserve £
At 1 July 2007	1,151,964
Transfer of amount equivalent to additional depreciation on revalued fixed assets	<u>(32,708)</u>
At 30 June 2008	<u>1,119,256</u>

19 TRANSACTIONS WITH DIRECTORS

During the year the company has traded with other businesses in which individual directors have an interest. The total income received from Lincolnshire Co-operative Limited during the year was £35,300 for sponsorship. The trading with businesses involving the other Directors was not of a material amount. All transactions were carried out on normal commercial terms.

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
(Loss)/Profit for the financial year	(282,060)	822
Issue of shares at par	<u>131,520</u>	<u>145,341</u>
Net (reduction)/addition to shareholders' funds	(150,540)	146,163
Opening shareholders' funds	<u>1,733,374</u>	<u>1,587,211</u>
Closing shareholders' funds	<u>1,582,834</u>	<u>1,733,374</u>