

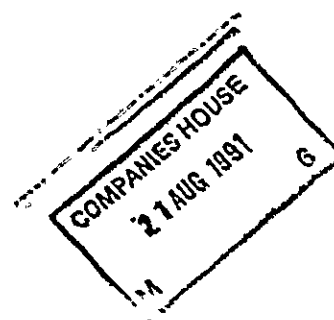
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CARLISLE UNITED ASSOCIATION FOOTBALL
CLUB (1921) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST AUGUST, 1990



CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTICE IS HEREBY GIVEN that the Sixty-Ninth Annual General Meeting of the Company will be held in the Sunset Suite, Brunton Park, on Monday 28th January, 1991 at 7.30 pm. THE MEETING WILL CONSIDER AND IF THOUGHT FIT pass Resolutions numbered 1 to 3 as Ordinary Resolutions.

ORDINARY BUSINESS

1. To receive the Accounts and Reports of the Directors' and Auditors for the year ended 31st August, 1990.
2. To re-elect Directors, retiring by rotation.
3. To re-appoint the Auditors.

OTHER BUSINESS

4. To transact any other business competent for an Annual General Meeting.

A member unable to attend and vote is entitled to appoint a Proxy to attend and vote for him and that Proxy need not also be a member. All proxy forms must be deposited with the Secretary of the Company at least 48 hours before the meeting.

By order of the board,

R.S. LIDDELL F.C.A.

Brunton Park, Carlisle, CA1 1LL.

Company Secretary

21st December, 1990

N.B. - Shareholders are respectfully requested to notify the Secretary in writing of any change of address and Shareholders and their proxies are asked to produce this notice for admission to the meeting.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

PRESIDENT

J.C. Monkhouse

VICE PRESIDENTS

T.L. Sibson

Dr. T. Gardner

DIRECTORS

H.A. Jenkins
(Chairman)

J.R. Sheffield
(Vice Chairman)

R.S. Liddell F.C.A.

T.A. Bingley

C.J. Vasey

J.B. Lloyd

A. Hodgkison

J.A. Liddell

COMPANY SECRETARY

R.S. Liddell F.C.A.

CLUB SECRETARY

Miss A. Moore

BANKERS

Midland Bank Plc.
Court Square
Carlisle

AUDITORS

Saint & Co.
Sterling House
Rosehill
Carlisle

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

CHAIRMAN'S REPORT

I would once again pay tribute to all our supporters who followed our fortunes through last season. It was indeed disappointing for everyone at the Club to finish on a low note after doing so well during most of the season, and whilst some may accuse me of making excuses, injuries at vital times were a reality and played a large part in our down turn.

It is also disappointing to report an operating loss of £216,826 almost entirely due to the loss on transfer activity (£100,461) and increases on our wage bill. The wage bill was affected by the fact that we were carrying a number of injured players throughout the year together with other players brought into cover.

I would thank our Supporters Club for their support during the year and for their sponsorship of this year's Youth Team travel.

The commercial department are to be congratulated on their efforts for another good year with the Club shop playing an ever increasing part as a profit earner.

Our appreciation goes to the Secretary and Club staff for ensuring the smooth operation of the Club, also to the Club Steward, Sports Hall Manager and their staff who work tirelessly for the Club.

The Football in the Community Scheme goes from strength to strength as they expand their activities in the area and I know they are now regarded as one of the most successful schemes in the country.

On the football side I would thank the Team Manager and all his staff who work tirelessly in their efforts to bring success to the Club. They were probably more disappointed than any one at the end of the season but through their efforts many supporters came back and supported us, in fact season ticket sales for the current season are a Club record.

At the time of writing the report we find ourselves in the lower region of the division with a depleted playing pool. The season however is only half way through and with a fair share of luck and a lot of hard work we can still get back in contention.

On a brighter note, arising out of our injury problem I am pleased to report that we have been able to blood no fewer than four teenagers into the first team with some considerable success.

H.A. JENKINS

CHAIRMAN.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and the accounts of the company for the year ended 31st August, 1990.

**PRINCIPAL
ACTIVITY**

The principal activity of the company is that of a professional Football League Club.

**RESULTS AND
DIVIDENDS**

The loss on ordinary activities before taxation was £216,826 (1989 - profit £45,424). No dividend is recommended.

**DIRECTORS AND
THEIR INTERESTS**

The Directors during the year and their interests in the share capital of the company were as follows:

	31.8.90	31.8.89
H.A. Jenkins	16,506	16,456
J.R. Sheffield	7,030	5,709
R.S. Liddell F.C.A.	7,360	2,210
T.A. Bingley	1,207	1,207
C.J. Vasey	9,880	9,830
J.B. Lloyd	7,200	2,000
A. Hodgkison	10,250	10,000
J.A. Liddell	10,250	10,200

J.R. Sheffield, R.S. Liddell, J.B. Lloyd retire by rotation and, being eligible, offer themselves for re-election.

H.A. Jenkins was involved in a contract with the company during the year in respect of catering.

FIXED ASSETS

The directors are of the opinion that the market value of freehold property is at least equal to the book value, but in view of the specialised nature of these assets, the directors are unable to estimate its present day value. Details of fixed assets are shown in note 4 to the accounts.

AUDITORS

Messrs. Saint & Co., have expressed their willingness to be re-elected in accordance with Section 384 of the Companies Act, 1985.

3rd December, 1990

Signed on behalf of the board
H.A. Jenkins, (Chairman)



CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST, 1990

	1990 £	1989 £
TURNOVER		
Match Receipts - Football League	265,324	148,746
Other matches	40,339	67,009
League and Cup Pool Receipts	84,065	56,374
Season tickets	33,578	22,474
Television receipts	30,922	29,525
Transfer fees received	55,000	385,000
	<hr/> 509,228	<hr/> 709,128
OPERATING EXPENSES		
Transfer fees paid	155,461	212,000
Wages and national insurance	530,874	407,909
Other match expenses	75,910	66,554
Ground safety work (net of grant)	718	6,486
Establishment charges	65,820	65,833
Hire of equipment	1,472	1,507
Legal and professional	3,437	2,898
Audit fee	2,500	2,500
Depreciation	11,340	13,150
Loss on sale of fixed assets	5,079	433
Bank interest	5,130	12,992
Other Loan interest	7,710	7,601
Profit on sale of programmes	(4,953)	(5,885)
	<hr/> 860,498	<hr/> 793,978
LOSS ON FOOTBALL ACTIVITIES CARRIED FORWARD	<hr/> (351,270)	<hr/> (84,850)

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST, 1990 (Cont.)

	Notes	1990 £	1989 £
LOSS ON FOOTBALL ACTIVITIES		(351,270)	(84,850)
OTHER OPERATING INCOME			
Net rental income		-	2,677
Squash courts and sports centre		9,913	12,130
Facility fees received		1,700	-
Sundry receipts		3,289	4,280
Profit on Carlisle United promotions		110,220	87,735
Car park receipts		2,326	2,249
		127,448	109,071
OPERATING (LOSS)/PROFIT		(223,822)	24,221
Interest received		1,144	10
Cash donations received - Carlisle City Council		-	20,000
Carlisle United			
Supporters Club		5,000	-
Others		852	1,193
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(216,826)	45,424
Taxation	3	143	(1,406)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(216,683)	44,018
RETAINED PROFITS AT 31ST AUGUST, 1989		133,908	89,890
PROFIT AND LOSS ACCOUNT AT 31ST AUGUST, 1990		£(82,775)	£133,908

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

BALANCE SHEET AT 31ST AUGUST, 1990

	Notes	1990 £	1989 £
FIXED ASSETS			
Tangible assets	4	356,542	355,706
CURRENT ASSETS			
Stocks - goods for resale		15,963	14,904
Debtors	5	112,325	200,817
Cash at bank and in hand		15,067	57,985
CREDITORS: Amounts falling due within one year	6	143,355 (423,870)	273,706 (368,023)
NET CURRENT LIABILITIES		(280,515)	(94,317)
TOTAL ASSETS LESS CURRENT LIABILITIES		76,027	261,389
CREDITORS: Amounts falling due after one year	7	(66,456)	(46,658)
CAPITAL AND RESERVES		£9,571	£214,731
Called up share capital	8	92,346	80,823
Profit and loss account		(82,775)	133,908
		£9,571	£214,731

Approved by the Board on 3rd December, 1990

H.A. Jenkins

R.S. Liddell

Directors



CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED
31ST AUGUST, 1990

	1990 £	1989 £
SOURCE OF FUNDS		
(Loss)/profit on ordinary activities before taxation	(216,826)	45,424
Adjustments for items not involving the movement of funds:		
Depreciation	11,340	13,150
Loss on sale of fixed assets	5,079	433
	(200,407)	59,007
FUNDS FROM OTHER SOURCES		
Sale of fixed assets	8,956	2,562
Share capital allotted	11,523	2,340
Repayment of tax suffered	-	2,793
	20,479	7,695
	£(179,928)	£66,702
APPLICATION OF FUNDS		
Purchase of fixed assets	26,211	20,102
Share Purchase and Loan repayments	2,125	16,121
(Decrease)/increase in working capital	(210,838)	29,178
Tax suffered on income in year	2,574	1,301
	£(179,928)	£66,702
ANALYSIS OF (DECREASE)/INCREASE IN WORKING CAPITAL		
Increase in stocks	1,059	5,431
(Decrease)/increase in debtors	(90,699)	27,654
Decrease/(increase) in creditors	22,163	(104,447)
	(67,477)	(71,362)
(Decrease)/increase in net liquid funds	(143,361)	100,540
	£(210,838)	£29,178

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST, 1990

1. ACCOUNTING POLICIES

The accounts are prepared under the historical cost convention, modified to include the revaluation of freehold land and buildings.

Depreciation

Depreciation is provided on the reducing balance basis at the following rates:

Furniture, fittings and ground equipment	10%
Motor vehicles	25%

No depreciation is provided on freehold property as in the opinion of the directors the estimated residual value will always exceed book value.

Stocks

Stocks are stated at the lower of cost and net realisable value.

2. STAFF COSTS

	1990 £	1989 £
Wages and salaries	585,624	470,606
Social security costs	48,875	38,744
	<hr/>	<hr/>
	£634,499	£509,350
	<hr/>	<hr/>

The average number of employees during the year (including the directors, none of whom received remuneration) was made up as follows:-

	1990 No.	1989 No.
Football Club	31	27
Promotions	11	10
Directors	8	8
	<hr/>	<hr/>
	50	45
	<hr/>	<hr/>

3. TAXATION

	1990 £	1989 £
Provision for corporation tax on rental and other income at 25% (1989 25%)	-	140
(Over)/underprovision in previous year	(143)	1,266
	<hr/>	<hr/>
	£(143)	£1,406
	<hr/>	<hr/>

No corporation tax is payable for the year due to losses.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST, 1990

4. TANGIBLE FIXED ASSETS

	Freehold Property £	Furniture Fittings & Ground Equipment £	Motor Vehicles £	Total £
<u>Cost or Valuation</u>				
At 1/9/89	287,297	78,827	44,604	410,728
Additions	-	3,161	23,050	26,211
Disposals	(2,145)	-	(19,571)	(21,716)
At 31/8/90	285,152	81,988	48,083	415,223
<u>Depreciation</u>				
At 1/9/89	-	39,887	15,135	55,022
Charge for year	-	4,195	7,145	11,340
On disposals	-	-	(7,681)	(7,681)
At 31/8/90	-	44,082	14,599	58,681
<u>Net Book Value</u>				
At 31/8/90	£285,152	£37,906	£33,484	£356,542
At 31/8/89	£287,297	£38,940	£29,469	£355,706

Freehold property includes £60,000 relating to the directors' valuation of the ground as at 30th June, 1969 for which accurate figures of historical cost are not available. All other amounts are stated at cost.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST, 1990

5. DEBTORS

	1990 £	1989 £
Trade debtors	49,651	177,211
Other debtors	8,125	20,196
Prepayments	54,549	3,410
	<u>£112,325</u>	<u>£200,817</u>

6. CREDITORS: amounts falling due within one year

	1990 £	1989 £
Bank overdraft (secured)	100,443	-
Current instalments on loans and hire purchase	23,041	24,131
Trade creditors	106,543	194,296
Other taxes and social security	29,309	55,624
Accruals	74,317	16,824
Deferred income	90,217	77,148
	<u>£423,870</u>	<u>£368,023</u>

Any bank overdraft is secured by a fixed charge over freehold property. In addition certain directors have given personal guarantees in respect of £40,000 of facilities.

7. CREDITORS: amounts falling due after more than one year

	1990 £	1989 £
Accruals	20,833	-
Secured loans	25,253	26,413
Hire Purchase creditors	13,067	7,521
Brewery loan	7,303	12,724
	<u>£66,456</u>	<u>£46,658</u>

Certain loans are secured by charges over certain of the company's properties and bear interest at fluctuating rates and the majority of such debt is not repayable within five years. The Brewery loan expires in March 1992.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST, 1990

8. SHARE CAPITAL

	1990 £	1989 £
Authorised:		
Ordinary Shares of £1 each	£150,000	£100,000
Allotted and fully paid:		
Ordinary shares of £1 each	£92,346	£80,823

During the year the directors have allotted 11,523 ordinary shares at par for cash to raise additional finance for the club.

9. CONTINGENT LIABILITY

- i) The club continues to be involved in litigation with a former employee. After taking legal advice the directors believe that no material liability arises.
- ii) Additional transfer fees (including football league levy) of £19,425 are payable on certain players completing a specified number of first team appearances.

REPORT OF THE AUDITORS TO THE MEMBERS OF CARLISLE UNITED ASSOCIATION
FOOTBALL CLUB (1921) LIMITED

We have audited the financial statements on pages 4 to 11 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31st August, 1990 and of the loss and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act, 1985.

SAINT & CO.,
Chartered Accountants,
Sterling House,
Rosehill,
Carlisle.

3rd December, 1990