

Co House

Company Registration No 1771361 (England and Wales)

**THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB
LIMITED**

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MAY 2007

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THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

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THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2007

The directors present their report and financial statements for the year ended 31 May 2007

Principal activities and review of the business

The principal activity of the company is that of a professional football club

The company name was previously Capital Reward Limited. The name was changed to The Huddersfield Town Association Football Club Limited on 24 August 2006

Results and dividends

The results for the year are set out on page 3

Directors

The following directors have held office since 1 June 2006

K E Davy
R W J Rimmer
A Watson
R S Armitage

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Mazars LLP be reappointed as auditors of the company will be put to the Annual General Meeting

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

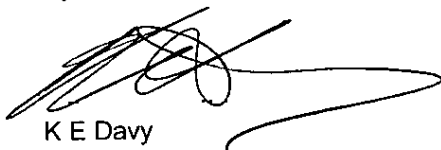
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the board



K E Davy
Director
06.11.07

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 15, together with the financial statements of the company for the year ended 31 May 2007 prepared under section 226 of the Companies Act 1985

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on the abbreviated accounts in the United Kingdom", issued by the Auditing Practises Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 15 are properly prepared in accordance with that provision.



Mazars LLP
Chartered Accountants
Registered Auditor



Norwich Union House
High Street
Huddersfield

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2007

	Notes	2007 £	2006 £
Gross profit		312,397	1,651,899
Administrative expenses		(1,504,310)	(1,656,671)
Operating loss	2	(1,191,913)	(4,772)
Profit on sale of player registrations	2	193,878	126,000
(Loss)/profit on ordinary activities before interest		(998,035)	121,228
Other interest receivable and similar income	3	15,365	13,657
Interest payable and similar charges		(72,424)	(73,131)
(Loss)/profit on ordinary activities before taxation		(1,055,094)	61,754
Tax on (loss)/profit on ordinary activities	5	-	-
(Loss)/profit on ordinary activities after taxation	15	(1,055,094)	61,754

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

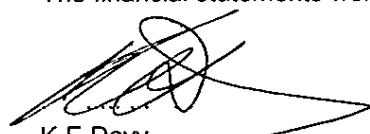
THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

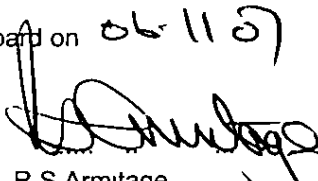
ABBREVIATED BALANCE SHEET AS AT 31 MAY 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Intangible assets	6	1,486,783		1,712,457	
Tangible assets	7	296,296		350,413	
Investments	8	2		2	
		<u>1,783,081</u>		<u>2,062,872</u>	
Current assets					
Stocks	9	72,511		116,742	
Debtors	10	266,522		188,213	
Cash at bank and in hand		968,931		1,400,296	
		<u>1,307,964</u>		<u>1,705,251</u>	
Creditors amounts falling due within one year	11	(1,736,518)		(2,211,202)	
Net current liabilities		<u>(428,554)</u>		<u>(505,951)</u>	
Total assets less current liabilities		<u>1,354,527</u>		<u>1,556,921</u>	
Creditors amounts falling due after more than one year	12	(2,629,358)		(1,776,658)	
		<u>(1,274,831)</u>		<u>(219,737)</u>	
Capital and reserves					
Called up share capital	14	250,000		250,000	
Profit and loss account	15	(1,524,831)		(469,737)	
Shareholders' funds - equity interests	16	<u>(1,274,831)</u>		<u>(219,737)</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 on 06-11-07


K E Davy
Director


R S Armitage
Director

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2007

	2007		2006	
	£	£	£	£
Net cash (outflow)/inflow from operating activities		(1,320,885)		540,347
Returns on investments and servicing of finance				
Interest received	15,365		13,657	
Interest paid	(72,424)		(73,131)	
Net cash outflow for returns on investments and servicing of finance		(57,059)		(59,474)
Capital expenditure and financial investment				
Payments to acquire intangible assets	(89,250)		-	
Payments to acquire tangible assets	(15,642)		(63,688)	
Profit on sale of player registrations	193,878		126,000	
Net cash inflow for capital expenditure		88,986		62,312
Net cash (outflow)/inflow before management of liquid resources and financing		(1,288,958)		543,185
Financing				
New debenture loan	500,000		-	
Other new long term loans	400,000		-	
Repayment of other long term loans	(42,407)		(46,289)	
Net cash inflow/(outflow) from financing		857,593		(46,289)
(Decrease)/increase in cash in the year		(431,365)		496,896

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2007

1	Reconciliation of operating loss to net cash (outflow)/inflow from operating activities	2007		2006	
		£		£	
	Operating loss	(1,191,913)		(4,772)	
	Depreciation of tangible assets	69,759		73,342	
	Amortisation of intangible assets	314,924		283,810	
	Decrease/(increase) in stocks	44,231		(65,559)	
	Increase in debtors	(78,309)		(26,586)	
	(Decrease)/Increase in creditors within one year	(479,577)		280,112	
	Net cash (outflow)/inflow from operating activities	(1,320,885)		540,347	
2	Analysis of net debt	1 June 2006	Cash flow	Other non-cash changes	31 May 2007
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,400,296	(431,365)	-	968,931
	Debt				
	Debts falling due within one year	(40,876)	-	(4,893)	(45,769)
	Debts falling due after one year	(1,776,658)	(857,593)	4,893	(2,629,358)
	Net debt	(417,238)	(1,288,958)	-	(1,706,196)
3	Reconciliation of net cash flow to movement in net debt	2007		2006	
		£		£	
	(Decrease)/increase in cash in the year	(431,365)		496,896	
	Cash (inflow)/outflow from (increase)/decrease in debt	(857,593)		46,289	
	Movement in net debt in the year	(1,288,958)		543,185	
	Opening net debt	(417,238)		(960,423)	
	Closing net debt	(1,706,196)		(417,238)	

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company is reliant on the support of Mr K E Davy, the majority shareholder. The nature of the company's business is such that there can be considerable unpredictable variation in the timing of cash inflows. The directors have prepared projected cash flow information for the period ending 12 months from the date of signature on the balance sheet. On the basis of this cash flow information, the directors consider that the company has sufficient funds to continue to operate for the foreseeable future. Mr Davy has indicated that he intends to continue to support the company by not requiring repayment of amounts due to him until such time as the company's circumstances allow. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Income from season tickets which has been received prior to the year end in respect of future seasons is treated as deferred income.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Players' registrations

The costs associated with the acquisition of players' registrations are capitalised as intangible fixed assets. These costs are amortised in equal annual instalments over the period of the respective players' contracts. Players' registrations are written down for impairment when the carrying amount exceeds the amount recoverable through use or sale.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	Nil
Trophies	10% straight line
Computer and office equipment	33% straight line and 20% reducing balance
Motor vehicles	25% reducing balance

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2007

1 Accounting policies (continued)

1 9 Stock

Stock is valued at the lower of cost and net realisable value

1 10 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1 11 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1 12 Signing on fees

Signing on fees are charged evenly, as part of cost of sales, to the Profit and Loss account over the period of the player's contract. Where a player's registration is transferred, any signing on fees payable in respect of future periods are charged against the profit or loss on disposal of the player's registration in the period in which the disposal is recognised.

2 Operating loss	2007 £	2006 £
Operating loss is stated after charging		
Amortisation of intangible assets	314,924	283,810
Depreciation of tangible assets	69,759	73,342
Operating lease rentals	549,116	656,083
Auditors' remuneration	5,000	5,000

In accordance with FRS 3, profit on sale of player registrations is shown as an exceptional item below operating (loss)/profit

3 Other interest receivable and similar income	2007 £	2006 £
Bank interest	15,365	13,657

4 Ultimate controlling party

The company is controlled by Mr K E Davy

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2007

5	Taxation	2007	2006
	Current tax charge	-	-
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	(1,055,094)	61,754
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2006 19.00%)	(200,468)	11,733
	Effects of		
	Non deductible expenses	11	162
	Depreciation add back	73,090	67,859
	Capital allowances	-	(14,345)
	Tax losses carried forward	251,893	57,197
	Amortisation	(59,836)	(53,924)
	Other tax adjustments	(64,690)	(68,682)
		200,468	(11,733)
	Current tax charge	-	-

The company has estimated losses of £ 17,900,000 (2006 £ 16,500,000) available for carry forward against future trading profits

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2007

6 Intangible fixed assets

	Players' registrations £	Goodwill £	Total £
Cost			
At 1 June 2006	151,750	2,375,640	2,527,390
Additions	89,250	-	89,250
	<hr/>	<hr/>	<hr/>
At 31 May 2007	241,000	2,375,640	2,616,640
	<hr/>	<hr/>	<hr/>
Amortisation			
At 1 June 2006	101,806	713,127	814,933
Charge for the year	77,215	237,709	314,924
	<hr/>	<hr/>	<hr/>
At 31 May 2007	179,021	950,836	1,129,857
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 May 2007	61,979	1,424,804	1,486,783
	<hr/>	<hr/>	<hr/>
At 31 May 2006	49,944	1,662,513	1,712,457
	<hr/>	<hr/>	<hr/>

Goodwill is being written off over 10 years on a straight line basis

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2007

7 Tangible fixed assets

	Freehold land	Trophies	Computer and office equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 June 2006	20,000	300,000	212,305	4,500	536,805
Additions	-	2,500	8,142	5,000	15,642
Disposals	-	-	(300)	-	(300)
At 31 May 2007	20,000	302,500	220,147	9,500	552,147
Depreciation					
At 1 June 2006	-	90,000	94,801	1,591	186,392
On disposals	-	-	(300)	-	(300)
Charge for the year	-	30,052	37,644	2,063	69,759
At 31 May 2007	-	120,052	132,145	3,654	255,851
Net book value					
At 31 May 2007	20,000	182,448	88,002	5,846	296,296
At 31 May 2006	20,000	210,000	117,504	2,909	350,413

8 Fixed asset investments

	Unlisted investments £
Cost	
At 1 June 2006 & at 31 May 2007	2
Net book value	
At 31 May 2007	2
At 31 May 2006	2

9 Stocks

	2007 £	2006 £
Finished goods and goods for resale	72,511	116,742

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2007

10 Debtors	2007 £	2006 £
Trade debtors	81,183	92,801
Other debtors	35,858	2,903
Prepayments and accrued income	149,481	92,509
	<u>266,522</u>	<u>188,213</u>
11 Creditors amounts falling due within one year	2007 £	2006 £
Trade creditors	217,228	227,006
Taxes and social security costs	237,144	319,317
Deferred season ticket income	1,003,272	1,185,764
Other creditors and accruals	278,874	479,115
	<u>1,736,518</u>	<u>2,211,202</u>
Debt due in one year or less	<u>45,769</u>	<u>40,876</u>
12 Creditors amounts falling due after more than one year	2007 £	2006 £
Other creditors	<u>2,629,358</u>	<u>1,776,658</u>
Analysis of loans		
Not wholly repayable within five years by instalments	1,037,188	1,079,595
Not wholly repayable within five years other than by instalments	<u>1,637,939</u>	<u>737,939</u>
Instalments not due within five years	<u>759,748</u>	<u>826,279</u>
Loan maturity analysis		
In more than one year but not more than two years	50,663	45,769
In more than two years but not more than five years	181,008	166,671
In more than five years	<u>2,397,687</u>	<u>1,564,218</u>

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2007

13 Pension costs

Defined contribution

The company participates in a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2007 £	2006 £
Contributions payable by the company for the year	11,780	45,294

14 Share capital

	2007 £	2006 £
Authorised		
10,000,000 Ordinary shares of 10p each	1,000,000	1,000,000
Allotted, called up and fully paid		
2,500,000 Ordinary shares of 10p each	250,000	250,000

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 June 2006	(469,737)
Retained loss for the year	(1,055,094)
Balance at 31 May 2007	(1,524,831)

16 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
(Loss)/Profit for the financial year	(1,055,094)	61,754
Opening shareholders' funds	(219,737)	(281,491)
Closing shareholders' funds	(1,274,831)	(219,737)

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2007

17 Financial commitments

At 31 May 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 May 2008

	Land and buildings	
	2007	2006
	£	£
Operating leases which expire		
In over five years	17,500	17,500

In addition the company had an annual commitment under a non-cancellable operating lease in respect of the stadium. The lease expires in more than five years and the annual commitment is calculated by reference to the number of spectators at league matches and similarly of the other tenant. The amount paid during the year was £531,616 (2006 £638,583)

18 Directors' emoluments

	2007	2006
	£	£
Emoluments for qualifying services	49,314	157,203
Company pension contributions to money purchase schemes	3,090	9,113
	52,404	166,316

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2006 - 1)

THE HUDDERSFIELD TOWN ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2007

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2007 Number	2006 Number
Players	37	37
Staff	78	76
	<u>115</u>	<u>113</u>

Employment costs

	2007 £	2006 £
Wages and salaries	2,543,202	2,469,183
Social security costs	207,282	264,492
Other pension costs	11,780	45,294
	<u>2,762,264</u>	<u>2,778,969</u>