

REGISTERED NUMBER: 1771361

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2009
FOR
THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**

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**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

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FOR THE YEAR ENDED 31 MAY 2009**

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**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2009**

DIRECTORS:

K E Davy
J A Hough
D Hoyle
N Clibbens
S Jarvis

SECRETARY:

J A Hough

REGISTERED OFFICE:

The Galpharm Stadium
Stadium Way
Leeds Road
Huddersfield
HD1 6PX

REGISTERED NUMBER:

1771361

AUDITORS:

Revell Ward LLP
Chartered Accountants and Registered Auditors
7th Floor
30 Market Street
Huddersfield
HD1 2HG

BANKERS:

Lloyds TSB Bank Plc
1 Westgate
Huddersfield
HD1 2DN

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2009**

The directors present their report with the financial statements of the company for the year ended 31 May 2009.

PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of a professional football club.

REVIEW OF BUSINESS BY THE OUTGOING CHAIRMAN

I have the honour to present my report for the Centenary year of Huddersfield Town Association Football Club which has been celebrated in the sixth trading year of the Company.

The celebrations for the season began with a Centenary match watched by over 20,000 fans at the Galpharm Stadium against Arsenal, a club with whom we have many long standing connections. The season ended with the Club placed 9th in Coca Cola League 1, one place higher than the previous year.

On the field

A number of new players were added to the first team squad both at the start of the season and in the January transfer window but overall results were mixed, particularly at home.

The end of the season also marked the end of the playing career of Andy Booth. Andy who was born in the town, and who was also a product of our Academy has been an outstanding servant of Huddersfield Town and we are pleased he remains at the Club as an Ambassador in the Commercial department.

The Reserve Team, including a number of Academy scholars in many games, had an outstanding year finishing 2nd in their league.

We were not able to achieve the stability in the management team we sought and Stan Ternent along with Ronnie Jepson left in November.

Gerry Murphy assisted by Graham Mitchell again took over as Caretaker manager for a brief but outstandingly successful spell until Lee Clark and a new team were appointed in December.

Financial Review

Last year I mentioned the Club's radical initiative to offer Season Tickets at £100 each. This was a huge success in that the number of new holders increased significantly. It did however contribute to a reduction in income for the year. The income overall fell to £4.32m (2008 - £4.73m) with a loss of £4.04m (2008 - £734,667).

Dean Hoyle and I have provided the funds needed by the Club to cover this loss and we are continuing to do so in the current year.

As anticipated since the year end Dean Hoyle has subscribed for further shares in the Company, to increase his holding to 70% of the enlarged number of shares issued, and has taken over the Chairmanship of this historic Club.

Commercial Income including Box Office

Despite the inconsistent performances on the field the Commercial departments maintained their income.

We are grateful to the many local businesses which sponsor the Club directly or as commercial partners. In the year under review Casino Red, Dual Seal Glass and Stafflex were major sponsors. Towards the end of the year we were able to announce a new and innovative sponsor for 2009-10 when the charity Yorkshire Air Ambulance agreed to join us.

A large part of the funding for the Academy continues to come from the Yorkshire Building Society and our Lottery department also produced a larger surplus for the Academy by increasing the membership of our major lottery, the Blue and White Foundation.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2009**

With an increased number of Season Ticket holders in place our Box Office successfully introduced a number of incentives to encourage walk ups on match days.

The Retail Department was expanded with additional outlets open on match days at the stadium. This combined with shirts and products for the Centenary helped to increase their contribution.

The Communications Department (formerly the Media Department) in addition to maintaining our relations with the press and public supervised the publication of two excellent books to mark our Centenary.

Football in the Community has not only continued to provide sports coaching to children at school or on holiday courses but has also run sessions for schools to encourage children to adopt a healthy lifestyle as well as providing leisure facilities for an increasing number of adults.

Our People

There have been a number of changes since my last report in which I welcomed Dean Hoyle to the Board. Dean has overseen football matters at the Club since November 2008 and formally took over the Chairmanship of the Club in June 2009.

We had been without a full time Chief Executive since Andrew Watson left the role in September 2006 and on 3 February 2009 Nigel Clibbens was appointed to this position and joined the Board.

In February our Academy Manager for over 20 years, Gerry Murphy stepped down. Gerry has served the Club magnificently over the years taking scholars through the Academy with many of them representing the Club at first team level and gaining international honours. Gerry has also stepped in to manage the first team on three very successful occasions. He is succeeded by Graham Mitchell a former Huddersfield Town Player who has been his assistant for a number of years. We wish Graham well as he continues the excellent work at the Academy.

Andrew Watson resigned as Vice Chairman on 4 November 2008 and Roger Armitage along with Ralph Rimmer stepped down from the Board in June 2009. On behalf of the Board I thank them all for the tremendous contribution they have each made to the rebuilding of Huddersfield Town.

I thank my fellow Directors, the football management and coaches, all the playing and office staff at the Club and at the Academy for their commitment and support over the years.

Review and Prospects

I am not one to dwell on the past however it is all too easily forgotten that six years ago the Club which had existed for over 90 years was in ruins with no infrastructure, just eight players and debt ridden. This company thanks to the hard work and total commitment of my colleagues who have now left the Board and Ann Hough, our outstanding Company Secretary has re-built the infrastructure of the Club so that it is now in a position to move forward into a successful future.

My best wishes go to the new team at the helm and I trust they will continue to take this historic club forward on the solid base which has been created.

Finally I thank once again all our volunteer helpers and all our fans who show their commitment in so many ways to Huddersfield Town.

DIVIDENDS

No dividends will be distributed for the year ended 31 May 2009.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2009**

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 June 2008 to the date of this report.

K E Davy
J A Hough
D Hoyle

Other changes in directors holding office are as follows:

A Watson - resigned 4 November 2008
N Clibbens - appointed 3 February 2009

S Jarvis was appointed as a director after 31 May 2009 but prior to the date of this report.

R W J Rimmer and R S Armitage ceased to be directors after 31 May 2009 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and 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). 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 accounting 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 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.

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 418 of the Companies Act 2006) 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.

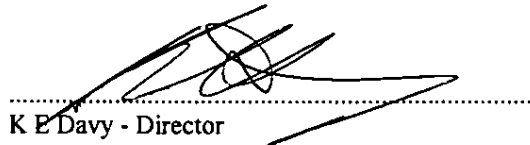
**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2009**

AUDITORS

The auditors, Revell Ward LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
K E Davy - Director

Date: 15 DECEMBER 2009

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**

We have audited the financial statements of The Huddersfield Town Association Football Club Limited for the year ended 31 May 2009 on pages eight to twenty two. 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).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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 a Report of the Auditors 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

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 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.



Karen Borowski (FCA) (Senior Statutory Auditor)
for and on behalf of Revell Ward LLP
Chartered Accountants and Registered Auditors
7th Floor
30 Market Street
Huddersfield
HD1 2HG

Date: 24 December 2009

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2009**

	Notes	31.5.09 £	31.5.08 £
TURNOVER	2	4,320,721	4,730,736
Cost of sales		<u>6,545,609</u>	<u>4,120,700</u>
GROSS (LOSS)/PROFIT		(2,224,888)	610,036
Administrative expenses		<u>1,878,224</u>	<u>1,587,867</u>
		(4,103,112)	(977,831)
Other operating income		<u>237,410</u>	<u>183,530</u>
OPERATING LOSS	4	(3,865,702)	(794,301)
Onerous contracts	5	(328,800)	-
Profit on sale of players	5	<u>200,145</u>	<u>111,709</u>
		(3,994,357)	(682,592)
Interest receivable and similar income		<u>17,532</u>	<u>20,777</u>
		(3,976,825)	(661,815)
Interest payable and similar charges	6	<u>59,987</u>	<u>72,852</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(4,036,812)	(734,667)
Tax on loss on ordinary activities	7	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(4,036,812)</u>	<u>(734,667)</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 losses for the current year or previous year.

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**BALANCE SHEET
31 MAY 2009**

	Notes	31.5.09 £	31.5.08 £
FIXED ASSETS			
Intangible assets	8	1,931,455	1,336,226
Tangible assets	9	194,025	219,429
Investments	10	<u>2</u>	<u>2</u>
		2,125,482	1,555,657
CURRENT ASSETS			
Stocks	11	70,899	78,152
Debtors	12	370,055	602,178
Cash at bank and in hand		<u>866,069</u>	<u>957,166</u>
		1,307,023	1,637,496
CREDITORS			
Amounts falling due within one year	13	<u>2,334,456</u>	<u>1,936,151</u>
NET CURRENT LIABILITIES		<u>(1,027,433)</u>	<u>(298,655)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,098,049	1,257,002
CREDITORS			
Amounts falling due after more than one year	14	(6,386,988)	(2,837,929)
PROVISIONS FOR LIABILITIES	17	<u>(328,800)</u>	<u>-</u>
NET LIABILITIES		<u>(5,617,739)</u>	<u>(1,580,927)</u>

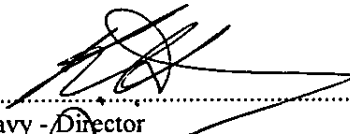
The notes form part of these financial statements


**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**BALANCE SHEET - continued
31 MAY 2009**

	Notes	31.5.09 £	£	31.5.08 £	£
CAPITAL AND RESERVES					
Called up share capital	18		416,667		416,667
Share premium	19		261,904		261,904
Profit and loss account	19		<u>(6,296,310)</u>		<u>(2,259,498)</u>
SHAREHOLDERS' FUNDS	24		<u><u>(5,617,739)</u></u>		<u><u>(1,580,927)</u></u>

The financial statements were approved by the Board of Directors on 15. DECEMBER 2009 and were signed on its behalf by:


.....
K E Davy - Director


.....
D Hoyle - Director

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2009**

	Notes	31.5.09 £	31.5.08 £
Net cash outflow from operating activities	1	(2,585,507)	(568,297)
Returns on investments and servicing of finance	2	(42,455)	(52,075)
Capital expenditure and financial investment	2	<u>(1,048,845)</u>	<u>(26,365)</u>
		(3,676,807)	(646,737)
Financing	2	<u>3,585,710</u>	<u>634,972</u>
Decrease in cash in the period		<u>(91,097)</u>	<u>(11,765)</u>
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		(91,097)	(11,765)
Cash inflow from increase in debt		<u>(3,585,710)</u>	<u>(206,401)</u>
Change in net debt resulting from cash flows		<u>(3,676,807)</u>	<u>(218,166)</u>
Movement in net debt in the period		(3,676,807)	(218,166)
Net debt at 1 June		<u>(1,924,362)</u>	<u>(1,706,196)</u>
Net debt at 31 May		<u>(5,601,169)</u>	<u>(1,924,362)</u>

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2009**

1. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	31.5.09 £	31.5.08 £
Operating loss	(3,865,702)	(794,301)
Depreciation charges	60,650	67,941
Amortisation charges	576,848	297,557
Impairment of intangible fixed assets	41,667	-
Decrease/(Increase) in stocks	7,253	(5,641)
Decrease/(Increase) in debtors	232,123	(335,656)
Increase in creditors	361,654	201,803
Net cash outflow from operating activities	<u>(2,585,507)</u>	<u>(568,297)</u>

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

	31.5.09 £	31.5.08 £
Returns on investments and servicing of finance		
Interest received	17,532	20,777
Interest paid	(59,987)	(72,852)
Net cash outflow for returns on investments and servicing of finance	<u>(42,455)</u>	<u>(52,075)</u>
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(1,231,099)	(147,000)
Purchase of tangible fixed assets	(35,246)	(3,500)
Sale of tangible fixed assets	-	12,426
Profit on sale of players	217,500	111,709
Net cash outflow for capital expenditure and financial investment	<u>(1,048,845)</u>	<u>(26,365)</u>
Financing		
New loans	3,640,628	650,000
Loan repayments	(54,918)	(443,599)
Share issue	-	428,571
Net cash inflow from financing	<u>3,585,710</u>	<u>634,972</u>

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2009**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.6.08 £	Cash flow £	At 31.5.09 £
Net cash:			
Cash at bank and in hand	<u>957,166</u>	<u>(91,097)</u>	<u>866,069</u>
	<u>957,166</u>	<u>(91,097)</u>	<u>866,069</u>
Debt:			
Debts falling due within one year	(43,599)	(36,651)	(80,250)
Debts falling due after one year	<u>(2,837,929)</u>	<u>(3,549,059)</u>	<u>(6,386,988)</u>
	<u>(2,881,528)</u>	<u>(3,585,710)</u>	<u>(6,467,238)</u>
Total	<u>(1,924,362)</u>	<u>(3,676,807)</u>	<u>(5,601,169)</u>

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2009**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The company is reliant on the support of Mr K E Davy and Mr D Hoyle, the major shareholders. 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 and Mr Hoyle have indicated that they intend to continue to support the company by not requiring repayment of amounts due to them 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.

Accounting convention

The financial statements have been prepared under the historical cost convention.

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.

Goodwill

Acquired goodwill is written off in equal instalments over its estimated useful economic life. Goodwill is being written off over 10 years on a straight line basis.

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	- Nil
Trophies	- 25% on cost and 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost and 20% on cost

Stock

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

Leasing

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable are charged to the profit and loss account in the year they are payable.

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.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2009**

1. ACCOUNTING POLICIES - continued

Signing on fees

Signing on fees are taken, as part of cost of sales, to the profit and loss account in the year in which they are incurred. Where a player's registration is transferred, any signing on fees payable in respect of future periods is charged against the profit or loss on disposals of the player's registration in the period in which the disposal is recognised.

Investments

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

2. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	31.5.09	31.5.08
	£	£
Broadcasting	23,579	54,718
Match day	2,199,534	2,756,056
Commercial	1,767,769	1,576,732
Development Association	307,041	297,768
Other income	22,798	45,462
	<u>4,320,721</u>	<u>4,730,736</u>

3. STAFF COSTS

	31.5.09	31.5.08
	£	£
Wages and salaries	4,365,293	2,756,545
Social security costs	448,571	285,020
Other pension costs	10,924	11,257
	<u>4,824,788</u>	<u>3,052,822</u>

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

	31.5.09	31.5.08
Players	50	43
Staff	<u>90</u>	<u>80</u>
	<u>140</u>	<u>123</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2009**

4. OPERATING LOSS

The operating loss is stated after charging:

	31.5.09	31.5.08
	£	£
Stadium & shop rent	630,591	582,074
Depreciation - owned assets	60,650	67,941
Goodwill amortisation	237,709	237,709
Players' registrations amortisation	339,139	59,848
Auditors' remuneration	<u>6,625</u>	<u>5,000</u>
Directors' remuneration	<u>87,829</u>	<u>61,845</u>

5. EXCEPTIONAL ITEMS

In accordance with FRS 12, provision has been made for onerous contracts where the unavoidable costs of meeting the obligations exceed the economic benefit expected to be received under the contracts.

In accordance with FRS 3, profit/(loss) on sale of players' registration is shown as an exceptional item below operating loss.

The profit on players' registrations includes profits of £217,500 (2008 - £111,709) and losses of £17,355 (2008 - £Nil).

6. INTEREST PAYABLE AND SIMILAR CHARGES

	31.5.09	31.5.08
	£	£
Loan interest	<u>59,987</u>	<u>72,852</u>

7. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 May 2009 nor for the year ended 31 May 2008.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 1771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2009**

7. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.5.09 £	31.5.08 £
Loss on ordinary activities before tax	<u>(4,036,812)</u>	<u>(734,667)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2008 - 19%)	(847,731)	(139,587)
Effects of:		
Non deductible expenses	4,541	8,464
Depreciation add back	142,989	69,445
Tax losses carried forward	884,957	174,789
Amortisation	(184,756)	(56,536)
Other tax adjustments	<u>-</u>	<u>(56,575)</u>
Current tax charge	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The company has losses of approximately £23m (2008 - £18.7m) available to carry forward against future trading profits.

8. INTANGIBLE FIXED ASSETS

	Goodwill £	Players' registrations £	Totals £
COST			
At 1 June 2008	2,375,640	236,250	2,611,890
Additions	-	1,231,099	1,231,099
Disposals	<u>-</u>	<u>(89,250)</u>	<u>(89,250)</u>
At 31 May 2009	<u>2,375,640</u>	<u>1,378,099</u>	<u>3,753,739</u>
AMORTISATION			
At 1 June 2008	1,188,545	87,119	1,275,664
Amortisation for year	237,709	339,139	576,848
Eliminated on disposal	-	(71,895)	(71,895)
Impairments	<u>-</u>	<u>41,667</u>	<u>41,667</u>
At 31 May 2009	<u>1,426,254</u>	<u>396,030</u>	<u>1,822,284</u>
NET BOOK VALUE			
At 31 May 2009	<u>949,386</u>	<u>982,069</u>	<u>1,931,455</u>
At 31 May 2008	<u>1,187,095</u>	<u>149,131</u>	<u>1,336,226</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2009**

9. TANGIBLE FIXED ASSETS

	Freehold property £	Trophies £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 June 2008	20,000	302,500	9,500	198,854	530,854
Additions	-	-	3,500	31,746	35,246
At 31 May 2009	<u>20,000</u>	<u>302,500</u>	<u>13,000</u>	<u>230,600</u>	<u>566,100</u>
DEPRECIATION					
At 1 June 2008	-	150,677	5,542	155,206	311,425
Charge for year	-	30,625	2,093	27,932	60,650
At 31 May 2009	-	<u>181,302</u>	<u>7,635</u>	<u>183,138</u>	<u>372,075</u>
NET BOOK VALUE					
At 31 May 2009	<u>20,000</u>	<u>121,198</u>	<u>5,365</u>	<u>47,462</u>	<u>194,025</u>
At 31 May 2008	<u>20,000</u>	<u>151,823</u>	<u>3,958</u>	<u>43,648</u>	<u>219,429</u>

10. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 June 2008 and 31 May 2009	<u>2</u>
NET BOOK VALUE	
At 31 May 2009	<u>2</u>
At 31 May 2008	<u>2</u>

11. STOCKS

	31.5.09 £	31.5.08 £
Finished goods	<u>70,899</u>	<u>78,152</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.09 £	31.5.08 £
Trade debtors	143,206	221,941
Other debtors	5,684	36,521
Prepayments and accrued income	<u>221,165</u>	<u>343,716</u>
	<u>370,055</u>	<u>602,178</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2009**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.09	31.5.08
	£	£
Other loans (see note 15)	80,250	43,599
Trade creditors	203,805	170,909
Social security and other taxes	307,494	249,013
Other creditors	415,196	296,497
Deferred season ticket income	<u>1,327,711</u>	<u>1,176,133</u>
	<u>2,334,456</u>	<u>1,936,151</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.5.09	31.5.08
	£	£
Other loans (see note 15)	<u>6,386,988</u>	<u>2,837,929</u>

15. LOANS

An analysis of the maturity of loans is given below:

	31.5.09	31.5.08
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>80,250</u>	<u>43,599</u>
Amounts falling due between one and two years:		
Other loans	<u>80,250</u>	<u>43,599</u>
Amounts falling due between two and five years:		
Other loans	<u>190,628</u>	<u>130,797</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Other loans	<u>5,452,939</u>	<u>1,887,939</u>
Repayable by instalments		
Other loans	<u>663,171</u>	<u>775,594</u>

Of the above loans, a total of £938,671 incurs interest charged at 1.75% above LIBOR.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2009**

16. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	31.5.09	31.5.08
	£	£
Expiring:		
In more than five years	<u>18,000</u>	<u>17,500</u>

In addition to the above, 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 matches and similarly of the other tenant. The amount paid during the year was £612,225 (2008 - £564,574).

17. PROVISIONS FOR LIABILITIES

	31.5.09	31.5.08
	£	£
Other provisions	<u>328,800</u>	<u>-</u>

In accordance with FRS 12, provision has been made for onerous contracts where the unavoidable costs of meeting the obligations exceed the economic benefit expected to be received under the contracts.

18. CALLED UP SHARE CAPITAL

Allotted and issued:			31.5.09	31.5.08
Number:	Class:	Nominal value:	£	£
4,166,667	Ordinary	10p	<u>416,667</u>	<u>416,667</u>

19. RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 June 2008	(2,259,498)	261,904	(1,997,594)
Deficit for the year	<u>(4,036,812)</u>		<u>(4,036,812)</u>
At 31 May 2009	<u>(6,296,310)</u>	<u>261,904</u>	<u>(6,034,406)</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2009**

20. CONTINGENT LIABILITIES

Under the terms of certain contracts for the purchase of players' registrations future payments may be due, dependent on the future success of the team and the future team selection of individual players. As of 31 May 2009 the maximum that could be payable is £150,000 (2008 - £100,000).

21. RELATED PARTY DISCLOSURES

Mr K E Davy

At the year end the company owed Mr K E Davy, the majority shareholder at the year end and a director, £3,137,939 (2008 - £1,887,939) in the form of a director's loan account.

Due to Mr Davy's controlling shareholding during the year under review, the company has related party relationships with a number of other entities under Mr Davy's control. Transactions during the year with those parties were as follows:

Kirklees Stadium Development Limited (KSDL)

Rent was paid to KSDL as shown in note 16. In addition, KSDL provides staff and administration for matchdays and passes on monies to the company in respect of revenues collected after deducting costs. During the year this amounted to £225,346 (2008 - £189,554). The company also paid a partners' contribution of £69,750 (2008 - £70,500) to KSDL in accordance with their agreement. At the year end £62,783 (2008 - £51,869) was owed to KSDL and is included in creditors and £6,017 (2008 - £26,075) was owing from KSDL and is included in debtors. Other creditors includes an unsecured loan due to KSDL. The amount outstanding at the year end was £938,671 (2008 - £993,589). Interest is payable on the loan at normal commercial rates.

Huddersfield Giants Limited

The company receives a contribution from Huddersfield Giants Limited towards overheads of the shops, for use of the ticket office and towards other overheads. During the year this amounted to £18,082 (2008 - £25,281), £33,714 (2008 - £25,401) and £2,007 (2008 - £1,350) respectively. The company also paid their share of common expenses amounting to £1,403 (2008 - £1,144) in the year. At the year end there was £10,905 (2008 - £14,112) owing from Huddersfield Giants Limited and £17,029 (2008 - £484) owing to Huddersfield Giants Limited.

The company paid £33,486 (2008 - £8,078) to Huddersfield Giants Limited in relation to joint advertising income and sponsorship of the 7's scheme.

Huddersfield Sporting Pride Limited

Purchases were made from this company for marketing services, the total cost was £11,885 (2008 - £36,292). Other purchases were made in relation to attending events totalling £157 (2008 - £6,228). Included in creditors at the year end was £421 (2008 - £172).

Mr D Hoyle

At the year end the company owed Mr D Hoyle, a shareholder and a director, £2,315,000 (2008 - £Nil) in the form of a director's loan account.

Transactions during the year with other entities that Mr D Hoyle has a significant interest are as follows:

The Card Factory Limited

Sales were made to The Card Factory Limited amounting to £82 (2008 - £220). There were no balances outstanding at either year end.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2009**

22. POST BALANCE SHEET EVENTS

After the year end but before the accounts were authorised for issue, 4,166,666 Ordinary shares of 5p each were issued. These were fully subscribed to by Mr D Hoyle at a premium of £0.027 per share. The Ordinary 5p shares rank pari passu with the Ordinary 10p shares giving Mr D Hoyle the majority shareholding after the year end.

23. ULTIMATE CONTROLLING PARTY

The company was controlled by Mr K E Davy during the year under review. As detailed in the post balance sheet events note Mr D Hoyle has become the majority shareholder after the year ended 31 May 2009.

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.5.09	31.5.08
	£	£
Loss for the financial year	(4,036,812)	(734,667)
Proceeds from issue of shares	<u>-</u>	<u>428,571</u>
Net reduction of shareholders' funds	(4,036,812)	(306,096)
Opening shareholders' funds	<u>(1,580,927)</u>	<u>(1,274,831)</u>
Closing shareholders' funds	<u>(5,617,739)</u>	<u>(1,580,927)</u>