

REGISTERED NUMBER: 01771361 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016
FOR
THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**

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**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	6
Report of the Independent Auditors	8
Consolidated Income Statement	9
Consolidated Other Comprehensive Income	10
Consolidated Balance Sheet	11
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Cash Flow Statement	16
Notes to the Consolidated Financial Statements	17

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**

**COMPANY INFORMATION
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

DIRECTORS:

D Hoyle
J A Hough
S Jarvis
R M Burnley
J Winter

SECRETARY:

J A Hough

REGISTERED OFFICE:

The John Smith's Stadium
Stadium Way
Leeds Road
Huddersfield
West Yorkshire
HD1 6PX

REGISTERED NUMBER:

01771361 (England and Wales)

AUDITORS:

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

BANKERS:

Lloyds Bank plc
1 Westgate
Huddersfield
HD1 2DN

**GROUP STRATEGIC REPORT
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

The directors present their strategic report of the company and the group for the period 1 June 2015 to 30 June 2016.

The company's principal activity is unchanged as a professional football club, being a member of the English Football League (EFL) & the Football Association (FA) together with related and ancillary activities. It is also a holding company.

The subsidiary undertaking, Huddersfield Canalside Limited (HCL) services and supports the company from the PPG Canalside facility, which is our football and academy base. It also carries out trading activities as a sports venue and hospitality business. The participating interest is a 40% investment in Kirklees Stadium Development Limited (KSDL) which controls, operates, manages and develops the John Smiths Stadium and the surrounding 54-acre site.

The group's overall strategy remains unchanged from 2009 and continues to work around a framework of five key objectives - **"working together to be successful, sustainable and financially viable football club that we can all take pride in"**.

During the period there were changes at board level with Roger Burnley adding his considerable business expertise as a non-executive director in December 2015 and the addition of Julian Winter as CEO in April 2016, replacing Nigel Clibbins. The board would like to place on record its thanks to Nigel for his contribution over recent years.

REVIEW OF THE BUSINESS

Finance

The period saw an upturn in the turnover for the group to £11,291,300, an increase of £750,838 on the year, mainly due to an increase in TV and League contributions as well as steady increases in commercial revenues.

The operating losses were reduced from (£9,707,183) to (£9,619,557), but with a significant contribution in player trading of £6,907,553 the overall loss for the financial period was (£1,596,310). This is a significant improvement on the prior year losses of (£6,885,701) and reduces the reliance on greater shareholder contributions.

Commercially the club continues to make steady progress, with costs under control and continually reviewed.

Football

The year saw a change in football manager from Chris Powell to David Wagner in November 2015. The board felt it was time for the Club to take make a real shift in approach by appointing a foreign manager and embracing new ideas around the style of play, team preparation, recruitment and the overall football culture. The change had significant impact in the period to May 2016 and was further reinforced in preparation for the 2016/17 season.

Additional changes to the Club's football department have occurred with a change of Academy Manager from Mark Lillis to Steve Weaver and the addition of John Iga as the Head of Performance Services, a new role for the Club. The board would like to thank Mark Lillis for his contribution to the Club's Academy.

Player trading, has, over several years, been central to the way the club operates. In this period the Club has been particularly successful in transitioning the squad for improved sustainability and in improving the squad.

Business

The board made the decision in the year to create and deliver a new, affordable and attractive season ticket offer for the upcoming 2016/17 season. The fan support for this initiative brought about sales of 10,000 season tickets in four days with final sales hitting the revised 15,000 target, which is testament to the quality of the offer and the fantastic support of Huddersfield Town fans.

Operations

The KSDL relationship remains strong and the Club, as a 40% stakeholder in the company, is fully supportive of The HDOne project, which will see a significant leisure development created adjacent to the stadium. A successful HDOne project will bring about significant financial benefit to KSDL and in turn the Group.

**GROUP STRATEGIC REPORT
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

The training ground site, PPG Canalside, continues to serve not only the professional and Academy football operations, but also serves its long-standing members and supporters alike. This unique proposition enables the club, its staff and players to engage with local people, families and supporters on an ongoing basis and is proving to be a popular venue for lunches, meetings and events.

Community

The board continues its support for The Town Foundation, a separate charitable organisation, as it has grown the number of breakfast clubs to 23 in schools across the locality. The Supporter Partnerships department has also continued to develop relationships with over 100 schools across the region and has further enhanced the Club's reputation with local charities, community football clubs and groups. We are immensely proud of the impact the Club has on its local community.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk or uncertainty and potential impact	How we mitigate
Football	
Relegation arising risk from poor on-field performance is the principal football risk and business risk.	The Club's resources are focused on putting the best team possible on the field of play. This includes managing the player wages model, team preparation and training ground facilities.
This can be the product of the performance of players, football management, football operations (including player recruitment), performance services and the board.	The board and senior football staff are jointly responsible for making key decisions regarding players, staff, facilities and performance services. Regular structured meetings take place to ensure we deliver the best team possible against an agreed football strategy.
Relegation will have a huge impact in revenues, particularly the EFL central distributions, increasing losses & reducing viability.	Ongoing improvements and investment in the football operations departments of the football club act to mitigate this risk.
Fundamentally changes the player recruitment strategy, player and staff retention which impacts on on-field performance.	The board ensures that all key staff remain on the same page regarding the football strategy and financial model.
People contracting risks	The board ensure robust processes are in place and are maintained by senior football staff.
Relating to players – - player recruitment due diligence - contract terms - resourcing- player trading - injury	The board is continually reviewing and improving its scouting operation and the modern innovations supporting its player identification process. Shareholder approval of all player contracts and terms.
Relating to key staff – - football management and sustainability - establishing and maintaining a clear system of play - player development - adding value	A clear criterion is in place for the type of management and coaching staff the club requires now and in the future. The club now has in place a clear playing style and recruitment methodology for the types of players that will suit our specific needs.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**GROUP STRATEGIC REPORT
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

Academy	
Loss of Elite Player Performance Plan category two status.	The Club is externally monitored and reviewed by the EFL and an independent auditor to ensure the club complies with agreed standards.
Failure to develop players to play in HTAFC first team and/or be sold for future profit as part of the player trading strategy in place.	The Academy Technical Board has director level and senior football involvement to ensure the Academy operates to the standards required.
Business	
The Group's products, services and pricing do not remain competitive and value for money.	The board communicates openly with its fans and customers through various mediums. The Club has been proactive in reducing ticket prices to build the fan and customer base of the club for the future benefit of the club.
Resulting in losing supporters and corporate clients affecting financial performance and viability.	
Operations	
The separation of the operational aspects of the stadium and match-day delivery through KSDL.	Two HTAFC directors are directors of KSDL and have both influence and voting rights to ensure match-days are managed accordingly. The club is also involved at Events and Commercial panels that contribute to managing the stadium operationally through a documented collaboration agreement.
Provides operational risk with the Club's fans and corporate customers.	
The club has limited control over the match day experience affecting supporter retention, exposing the club to the financial risk of losing supporters with the associated financial impact.	
Community	
Failure to take ownership of the club's community identity and social responsibility programmes.	Directors of the company are also Trustees of the Town Foundation along with other independent trustees.
	The board have also had a director as a trustee of the HCT which operates community provision under a service agreement with the company.
Club	
Financial Fair Play risk leading to non-compliance with the EFL exposing the club to the risk of fines or transfer embargoes.	The board and Head of Finance are supported by our auditors on an ongoing basis and liaise with the EFL closely to ensure compliance.
Non-compliance with the applicable legislation and football regulations: - player contract administration - betting- agents - match fixing - behaviour	The company has a player code of conduct in place.
Exposing the club to reputational damage, penalty points and/or financial penalties.	
Ownership risk due to the Clubs reliance on shareholder funding to provide debt and equity funding to subsidise the club's operation.	The company, its auditors and the EFL obtain annual commitments of funding.

**GROUP STRATEGIC REPORT
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

PROSPECTS FOR 2016/17 AND BEYOND

After the appointment of David Wagner in November 2015 the club has made significant progress towards the end of the 2015/16 season, despite a disappointing finishing position of 19th in the Championship.

The board has planned several changes for the 16/17 season in terms of squad improvements, staff structures, training facility improvements and numerous operational changes to support a revised plan for the Club. That plan aims to establish a club that 'thrives' in the Championship, rather than just 'survives'. The owner, board of directors and senior staff are seeking a step change in approach and performance to enable this to happen. With ongoing and additional shareholder support and an increase in central distributions from the EFL the board aims to allocate resources to improve our on-field performance and all that goes with creating a winning culture at the club, whilst driving additional revenue from all of its off field activities.

The Club will continue to maintain the ethos of a company that is '**working together to be successful, sustainable, and financially viable, that we can all take pride in**'.

The success of the season card campaign for 16/17 will be reinforced with ongoing activity to develop a new fan base for the club for the coming season and beyond. We expect overall revenues across the club to increase due to a significant increase in season card holders and match day attendances.

The 16/17 season will see a revision to the way the Club engages in community and charitable activity to bring together a more impactful and coherent community strategy to underpin the Club's CSR.

The Club will continue to support KSDL and the delivery of a successful HDOne project that will undoubtedly improve the financial future of both KSDL and the Group.

The board of directors would like to place on record its thanks to all the players, management, staff, supporters, partners and stakeholders as we look forward to an exciting future, building on strong foundations to create a club that can genuinely 'thrive' in the competitive league that is the Championship, whilst remaining true to its own strategy.

ON BEHALF OF THE BOARD:

.....
J Winter - Director

Date:

35/01/2017

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

The directors present their report with the financial statements of the company and the group for the period 1 June 2015 to 30 June 2016.

PRINCIPAL ACTIVITIES

The principal activity of the company in the period under review was that of a professional football club.

The principal activity of Huddersfield Canal-side Limited in the period under review was that of a members sporting club.

DIVIDENDS

No dividends will be distributed for the period ended 30 June 2016.

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period 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 2015 to the date of this report.

D Hoyle
J A Hough
S Jarvis

Other changes in directors holding office are as follows:

N Clibbens - resigned 4 February 2016
R M Burnley - appointed 3 December 2015

J Winter was appointed as a director after 30 June 2016 but prior to the date of this report.

DISCLOSURE IN THE STRATEGIC REPORT

The following information is not shown in the Report of the Directors as it is shown in the Group Strategic Report in accordance with S414C(11) of the Companies Act 2006:

- an indication of likely future developments in the business of the group.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, 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 the group and of the profit or loss of the group 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 HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

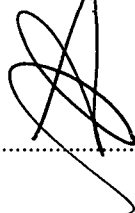
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 group'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 group's auditors are aware of that information.

AUDITORS


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

ON BEHALF OF THE BOARD:



.....
D Hoyle - Director

Date:



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

We have audited the financial statements of The Huddersfield Town Association Football Club Limited for the period ended 30 June 2016 on pages nine to thirty five. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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 pages six and seven, 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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2016 and of the group's loss for the period 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Limited
Chartered Accountants and Statutory Auditors
7th Floor
30 Market Street
Huddersfield
HD1 2HG

Date: 30/1/17

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

		Period 1.6.15 to 30.6.16		Year Ended 31.5.15 as restated	
	Notes	£	£	£	£
TURNOVER					
Group and share of joint venture			12,551,609		11,619,786
Less:					
Share of joint venture's turnover			<u>(1,260,309)</u>		<u>(1,079,324)</u>
GROUP TURNOVER	3		11,291,300		10,540,462
Cost of sales			<u>17,574,504</u>		<u>17,673,383</u>
GROSS LOSS			(6,283,204)		(7,132,921)
Administrative expenses			<u>3,915,306</u>		<u>3,140,530</u>
			(10,198,510)		(10,273,451)
Other operating income			<u>578,953</u>		<u>566,268</u>
OPERATING LOSS	5		(9,619,557)		(9,707,183)
Profit on sale of players' registrations	6		<u>6,907,553</u>		<u>1,791,767</u>
			(2,712,004)		(7,915,416)
Income from other participating interests		1,075,415		1,141,808	
Interest receivable and similar income					
Group		112,189		-	
Joint venture		<u>7,591</u>		<u>8,286</u>	
			<u>1,195,195</u>		<u>1,150,094</u>
			<u>(1,516,809)</u>		<u>(6,765,322)</u>
Interest payable and similar charges					
Group	7		(16,597)		(17,703)
Joint venture			<u>(42,740)</u>		<u>(46,110)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(1,576,146)		(6,829,135)
Tax on loss on ordinary activities	8		<u>20,164</u>		<u>56,566</u>
LOSS FOR THE FINANCIAL PERIOD			<u>(1,596,310)</u>		<u>(6,885,701)</u>
Loss attributable to:					
Owners of the parent			<u>(1,596,310)</u>		<u>(6,885,701)</u>

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

		Period 1.6.15 to 30.6.16	Year Ended 31.5.15 as restated £
	Notes	£	
LOSS FOR THE PERIOD		(1,596,310)	(6,885,701)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD			<u>(6,885,701)</u>
Prior year adjustment	Note 10	<u>167,100</u>	
TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT		<u>(1,429,210)</u>	
Total comprehensive income attributable to: Owners of the parent		<u>(1,429,210)</u>	<u>(6,885,701)</u>

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**CONSOLIDATED BALANCE SHEET
30 JUNE 2016**

		30.6.16		31.5.15 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	11		2,242,759		2,677,226
Tangible assets	12		5,133,954		5,173,718
Investments	13				
Interest in joint venture					
Share of gross assets			5,579,417		4,972,113
Share of gross liabilities			<u>(2,668,781)</u>		<u>(3,081,579)</u>
			2,910,636		1,890,534
Other investments			<u>2</u>		<u>2</u>
			10,287,351		9,741,480
CURRENT ASSETS					
Stocks	14	148,265		118,181	
Debtors: amounts falling due within one year	15	3,875,655		2,782,578	
Debtors: amounts falling due after more than one year	15	1,535,907		1,000,000	
Cash at bank and in hand		<u>777,972</u>		<u>214,712</u>	
			6,337,799		4,115,471
CREDITORS					
Amounts falling due within one year	16	<u>48,133,311</u>		<u>46,992,910</u>	
NET CURRENT LIABILITIES			<u>(41,795,512)</u>		<u>(42,877,439)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(31,508,161)		(33,135,959)
CREDITORS					
Amounts falling due after more than one year	17		<u>(662,820)</u>		<u>(438,712)</u>
NET LIABILITIES			<u>(32,170,981)</u>		<u>(33,574,671)</u>

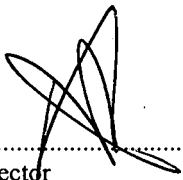
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**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**CONSOLIDATED BALANCE SHEET - continued
30 JUNE 2016**

		30.6.16		31.5.15 as restated	
	Notes	£	£	£	£
CAPITAL AND RESERVES					
Called up share capital	21		7,125,000		4,125,000
Share premium	22		375,000		375,000
Retained earnings	22		<u>(39,745,982)</u>		<u>(38,149,672)</u>
SHAREHOLDERS' FUNDS			<u>(32,245,982)</u>		<u>(33,649,672)</u>
MINORITY INTERESTS	23		<u>75,001</u>		<u>75,001</u>
TOTAL EQUITY			<u><u>(32,170,981)</u></u>		<u><u>(33,574,671)</u></u>

The financial statements were approved by the Board of Directors on 28/11/16 and were signed on its behalf by:


.....
D Hoyle - Director

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**COMPANY BALANCE SHEET
30 JUNE 2016**

		30.6.16		31.5.15 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	11		2,208,736		2,639,115
Tangible assets	12		5,035,383		5,042,063
Investments	13		<u>46,689</u>		<u>46,689</u>
			7,290,808		7,727,867
CURRENT ASSETS					
Stocks	14	143,010		113,132	
Debtors: amounts falling due within one year	15	3,859,831		2,774,265	
Debtors: amounts falling due after more than one year	15	1,535,907		1,000,000	
Cash at bank and in hand		<u>750,387</u>		<u>177,486</u>	
		6,289,135		4,064,883	
CREDITORS					
Amounts falling due within one year	16	<u>48,053,286</u>		<u>46,924,060</u>	
NET CURRENT LIABILITIES			<u>(41,764,151)</u>		<u>(42,859,177)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(34,473,343)		(35,131,310)
CREDITORS					
Amounts falling due after more than one year	17		<u>658,635</u>		<u>430,263</u>
NET LIABILITIES			<u>(35,131,978)</u>		<u>(35,561,573)</u>
CAPITAL AND RESERVES					
Called up share capital	21		7,125,000		4,125,000
Share premium	22		375,000		375,000
Retained earnings	22		<u>(42,631,978)</u>		<u>(40,061,573)</u>
SHAREHOLDERS' FUNDS			<u>(35,131,978)</u>		<u>(35,561,573)</u>

The financial statements were approved by the Board of Directors on 28/11/16 and were signed on its behalf by:

.....
D Hoyle - Director

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

	Called up share capital £	Retained earnings as restated £	Share premium £
Balance at 1 June 2014	625,000	(31,263,971)	375,000
Changes in equity			
Issue of share capital	3,500,000	-	-
Total comprehensive income	-	(7,052,801)	-
Balance at 31 May 2015	<u>4,125,000</u>	<u>(38,316,772)</u>	<u>375,000</u>
Prior year adjustment	-	167,100	-
As restated	<u>4,125,000</u>	<u>(38,149,672)</u>	<u>375,000</u>
Changes in equity			
Issue of share capital	3,000,000	-	-
Total comprehensive income	-	(1,596,310)	-
Balance at 30 June 2016	<u>7,125,000</u>	<u>(39,745,982)</u>	<u>375,000</u>
	Total as restated £	Non-controlling interests £	Total equity as restated £
Balance at 1 June 2014	(30,263,971)	75,001	(30,188,970)
Changes in equity			
Issue of share capital	3,500,000	-	3,500,000
Total comprehensive income	(7,052,801)	-	(7,052,801)
Balance at 31 May 2015	<u>(33,816,772)</u>	<u>75,001</u>	<u>(33,741,771)</u>
Prior year adjustment	167,100	-	167,100
As restated	<u>(33,649,672)</u>	<u>75,001</u>	<u>(33,574,671)</u>
Changes in equity			
Issue of share capital	3,000,000	-	3,000,000
Total comprehensive income	(1,596,310)	-	(1,596,310)
Balance at 30 June 2016	<u>(32,245,982)</u>	<u>75,001</u>	<u>(32,170,981)</u>

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

	Called up share capital £	Retained earnings as restated £	Share premium £	Total equity as restated £
Balance at 1 June 2014	625,000	(31,761,094)	375,000	(30,761,094)
Changes in equity				
Issue of share capital	3,500,000	-	-	3,500,000
Total comprehensive income	<u>-</u>	<u>(8,467,579)</u>	<u>-</u>	<u>(8,467,579)</u>
Balance at 31 May 2015	<u>4,125,000</u>	<u>(40,228,673)</u>	<u>375,000</u>	<u>(35,728,673)</u>
Prior year adjustment	<u>-</u>	<u>167,100</u>	<u>-</u>	<u>167,100</u>
As restated	<u>4,125,000</u>	<u>(40,061,573)</u>	<u>375,000</u>	<u>(35,561,573)</u>
Changes in equity				
Issue of share capital	3,000,000	-	-	3,000,000
Total comprehensive income	<u>-</u>	<u>(2,570,405)</u>	<u>-</u>	<u>(2,570,405)</u>
Balance at 30 June 2016	<u><u>7,125,000</u></u>	<u><u>(42,631,978)</u></u>	<u><u>375,000</u></u>	<u><u>(35,131,978)</u></u>

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

		Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 £
Cash flows from operating activities	Notes		
Cash generated from operations	30	<u>(7,542,134)</u>	<u>(8,337,178)</u>
Net cash from operating activities		<u>(7,542,134)</u>	<u>(8,337,178)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(1,724,927)	(2,425,362)
Purchase of tangible fixed assets		(177,746)	(352,675)
Sale of intangible fixed assets		6,528,551	2,861,560
Interest received		<u>23,326</u>	<u>-</u>
Net cash from investing activities		<u>4,649,204</u>	<u>83,523</u>
Cash flows from financing activities			
Loan repayments in period		(90,528)	(81,070)
Capital repayments in period		(14,624)	(24,949)
Amount introduced by directors		7,282,531	9,795,000
Amount withdrawn by directors		(3,704,592)	(2,150,000)
Interest paid		<u>(16,597)</u>	<u>(17,703)</u>
Net cash from financing activities		<u>3,456,190</u>	<u>7,521,278</u>
Increase/(decrease) in cash and cash equivalents		<u>563,260</u>	<u>(732,377)</u>
Cash and cash equivalents at beginning of period	31	<u>214,712</u>	<u>947,089</u>
Cash and cash equivalents at end of period	31	<u><u>777,972</u></u>	<u><u>214,712</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

1. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The group is reliant on the support of D Hoyle, the sole shareholder. The nature of the group'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, there will need to be further cash injected to the group to allow it to continue to operate. D Hoyle has indicated that he intends to continue to support the group by not requiring repayment of amounts due to him and will introduce further funds where required. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Basis of consolidation

The Consolidated Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Cash Flow Statement include the financial statements of the company and its subsidiary undertaking for the period ended 30 June 2016. Intra-group sales and profits are eliminated fully on consolidation.

Joint ventures

The group's share of profits less losses of joint ventures is included in the Consolidated Income Statement up to, or from, the date of sale or acquisition. The group's share of their gross assets and liabilities is included in the Consolidated Balance Sheet.

Significant judgements in applying the entity's accounting policies

The group controls 40% of the share capital of Kirklees Stadium Development Limited. The entity is accounted for as a joint venture due to the terms of the contractual agreement between shareholders.

The profit on sale of players' registrations can have a material impact on the group's financial statements each period. These are disclosed separately on the face of the consolidated income statement to provide further understanding of the financial performance of the group.

Key accounting estimates and assumptions

Accounting estimates, by definition, will often vary from the actual results. They are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below. The carrying amount of the estimates and assumptions at the period end are disclosed in the relevant note to the accounts.

Useful economic lives of intangible and tangible assets

The annual depreciation charge for intangible and tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets, which are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016.**

2. ACCOUNTING POLICIES - continued

Impairment of debtors

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment, management considers factors including the ageing profile and recent correspondence with the debtors and historical experience.

Long term credit arrangements

The effective interest method is used to measure long term credit arrangements. The financial asset or liability is measured at the present value of future payments discounted at an estimate of a market rate of interest based on the rates paid on other similar debt instruments.

Deferred taxation

The group has significant tax losses available to carry forward against future trading profits. No deferred tax asset has been recognised on these losses as given the historic performance and budgets for the coming financial year the asset is not deemed recoverable in the foreseeable future.

Termination benefits

Termination benefits are recognised when the group has committed to providing them to employees. They are measured at the best estimate required to settle the obligation at the reporting date.

Financial instruments

The company has chosen to adopt Section 11 of FRS 102 in respect of financial instruments.

Short term debtors are measured at transaction price, less any impairment.

Short term creditors are measured at the transaction price.

Other financial liabilities, including bank loans and long term credit arrangements, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes.

Matchday and associated income is recognised in line with games played. TV & League income is recognised in the accounting period that includes the football season the income relates to. Commercial income is recognised in line with contracted terms. Retail income is recognised at the point of sale to the customer. Development association income is recognised in line with the related prize draws.

Huddersfield Canalside Limited income relates to the sale of goods to customers which are recognised at the point of sale to the customer and turnover from the rendering of services which is recognised in the same month the services are provided.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of the trade and assets of a business in 2011 is being amortised evenly over its estimated useful life of 15 years.

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 and is charged to Administrative expenses in the Income Statement. Players' registrations are written down for impairment when the carrying amount exceeds the amount recoverable through use or sale. Any transfer fees payable as a result of the occurrence of one or more uncertain future events are capitalised when it is probable such event will occur.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and any costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Short leasehold	- over lease term
Plant and machinery	- 20% on cost
Trophies	- 25% on cost and 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost and 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks are valued using the first-in, first-out (FIFO) method.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Rental income received under operating leases is credited to income on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Signing on fees

Signing on fees are taken, as part of cost of sales, to the Income Statement 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.

General information

The company is a private company limited by shares and is incorporated in England and Wales. The address of its principal place of business is The John Smith's Stadium, Stadium Way, Leeds Road, Huddersfield, West Yorkshire, HD1 6PX.

Accounting period

The company extended its accounting period from 31 May 2016 to 30 June 2016 to be consistent with the football season term. The period ended 30 June 2016 is a 13 month accounting period but the year ended 31 May 2015 is a 12 month accounting period so the comparative information is not entirely comparable.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

3. TURNOVER

The turnover and loss before taxation are attributable to the principal activities of the group.

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

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 as restated £
Matchday	3,159,955	3,066,786
TV & League	4,835,200	4,345,600
Commercial	1,786,481	1,628,078
Communications	91,769	79,611
Retail	571,148	556,751
Exceptional	30,607	45,759
Development Association	445,574	436,308
Huddersfield Canalside Limited	370,566	381,569
	<u>11,291,300</u>	<u>10,540,462</u>

4. STAFF COSTS

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 £
Wages and salaries	11,090,194	11,682,599
Social security costs	1,376,047	1,541,164
Other pension costs	73,347	63,940
	<u>12,539,588</u>	<u>13,287,703</u>

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

	Period 1.6.15 to 30.6.16	Year Ended 31.5.15
Players	54	55
Staff	<u>186</u>	<u>184</u>
	<u>240</u>	<u>239</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

5. OPERATING LOSS

The operating loss is stated after charging:

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 £
Stadium & shop rent	919,115	827,123
Depreciation - owned assets	219,944	116,934
Depreciation - assets on hire purchase contracts	8,397	16,659
Loss on disposal of fixed assets	90,672	-
Goodwill amortisation	4,088	3,773
Players' registrations amortisation	1,623,826	1,765,452
Auditors' remuneration	7,725	7,500
Cost of stocks recognised as an expense	<u>564,840</u>	<u>515,305</u>
Directors' remuneration	200,123	269,050
Directors' pension contributions to money purchase schemes	4,784	4,727
Compensation to director for loss of office	<u>43,200</u>	<u>-</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>3</u>	<u>4</u>
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Key management compensation

Key management includes the directors and members of the senior management team. The compensation paid or payable to key management for employee services is shown below:

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 £
Salaries and other short-term benefits	<u>403,001</u>	<u>273,777</u>

Information regarding the highest paid director is as follows:

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 £
Emoluments etc	73,489	80,411
Pension contributions to money purchase schemes	<u>1,442</u>	<u>1,440</u>

6. EXCEPTIONAL ITEMS

The profit on players' registrations includes profits of £6,958,490 (2015 - £1,791,767) and losses of £50,937 (2015 - £Nil).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

7. INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 £
Loan interest	<u>16,597</u>	<u>17,703</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the period was as follows:

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 £
Current tax:		
Joint ventures corporation tax	20,164	64,566
Deferred tax:		
Joint ventures deferred tax	-	(8,000)
Tax on loss on ordinary activities	<u>20,164</u>	<u>56,566</u>

Reconciliation of total tax charge included in profit and loss

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

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 as restated £
Loss on ordinary activities before tax	<u>(1,576,146)</u>	<u>(6,829,135)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	(315,229)	(1,365,827)
Effects of:		
Expenses not deductible for tax purposes	(167,016)	(212,802)
Depreciation in excess of capital allowances	23,720	15,938
Unrelieved tax losses carried forward	459,849	1,558,977
Other timing differences leading to a (decrease)/increase in tax	(1,324)	3,714
Share of joint ventures tax	<u>20,164</u>	<u>56,566</u>
Total tax charge	<u>20,164</u>	<u>56,566</u>

The group has losses of approximately £58.6m (2015 - £56.5m) available to carry forward against future trading profits. A deferred tax asset of £11.7m (2015 - £11.3m) has not been recognised on these tax losses as given the historic performance and budgets for the coming year the asset is not deemed recoverable in the foreseeable future.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

9. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(2,570,405) (2015 - £(8,300,479)).

10. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made to recognise additional income of £167,100 into the prior year in accordance with FRS 102 10.19. The income related to the 2014/15 season and was received prior to the financial statements being authorised for issue but was not accrued at the time.

11. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Players' registrations £	Totals £
COST			
At 1 June 2015	2,432,227	6,234,719	8,666,946
Additions	-	1,896,832	1,896,832
Disposals	-	(2,378,546)	(2,378,546)
At 30 June 2016	<u>2,432,227</u>	<u>5,753,005</u>	<u>8,185,232</u>
AMORTISATION			
At 1 June 2015	2,394,116	3,595,604	5,989,720
Amortisation for period	4,088	1,623,826	1,627,914
Eliminated on disposal	-	(1,675,161)	(1,675,161)
At 30 June 2016	<u>2,398,204</u>	<u>3,544,269</u>	<u>5,942,473</u>
NET BOOK VALUE			
At 30 June 2016	<u>34,023</u>	<u>2,208,736</u>	<u>2,242,759</u>
At 31 May 2015	<u>38,111</u>	<u>2,639,115</u>	<u>2,677,226</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

11. INTANGIBLE FIXED ASSETS - continued

Company

	Goodwill £	Players' registrations £	Totals £
COST			
At 1 June 2015	2,375,640	6,234,719	8,610,359
Additions	-	1,896,832	1,896,832
Disposals	-	(2,378,546)	(2,378,546)
At 30 June 2016	<u>2,375,640</u>	<u>5,753,005</u>	<u>8,128,645</u>
AMORTISATION			
At 1 June 2015	2,375,640	3,595,604	5,971,244
Amortisation for period	-	1,623,826	1,623,826
Eliminated on disposal	-	(1,675,161)	(1,675,161)
At 30 June 2016	<u>2,375,640</u>	<u>3,544,269</u>	<u>5,919,909</u>
NET BOOK VALUE			
At 30 June 2016	<u>-</u>	<u>2,208,736</u>	<u>2,208,736</u>
At 31 May 2015	<u>-</u>	<u>2,639,115</u>	<u>2,639,115</u>

12. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Plant and machinery £
COST			
At 1 June 2015	4,535,730	650,000	288,665
Additions	191,849	-	27,710
Disposals	(56,100)	-	-
At 30 June 2016	<u>4,671,479</u>	<u>650,000</u>	<u>316,375</u>
DEPRECIATION			
At 1 June 2015	-	254,584	157,010
Charge for period	89,593	23,472	60,794
Eliminated on disposal	-	-	-
At 30 June 2016	<u>89,593</u>	<u>278,056</u>	<u>217,804</u>
NET BOOK VALUE			
At 30 June 2016	<u>4,581,886</u>	<u>371,944</u>	<u>98,571</u>
At 31 May 2015	<u>4,535,730</u>	<u>395,416</u>	<u>131,655</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

12. TANGIBLE FIXED ASSETS - continued

Group

	Trophies £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 June 2015	302,870	14,200	455,655	6,247,120
Additions	-	-	59,690	279,249
Disposals	-	-	(38,120)	(94,220)
At 30 June 2016	<u>302,870</u>	<u>14,200</u>	<u>477,225</u>	<u>6,432,149</u>
DEPRECIATION				
At 1 June 2015	302,870	14,200	344,738	1,073,402
Charge for period	-	-	54,482	228,341
Eliminated on disposal	-	-	(3,548)	(3,548)
At 30 June 2016	<u>302,870</u>	<u>14,200</u>	<u>395,672</u>	<u>1,298,195</u>
NET BOOK VALUE				
At 30 June 2016	<u>-</u>	<u>-</u>	<u>81,553</u>	<u>5,133,954</u>
At 31 May 2015	<u>-</u>	<u>-</u>	<u>110,917</u>	<u>5,173,718</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 June 2015	41,596
Additions	9,443
Transfer to ownership	<u>(7,800)</u>
At 30 June 2016	<u>43,239</u>
DEPRECIATION	
At 1 June 2015	10,312
Charge for period	8,397
Transfer to ownership	<u>(3,120)</u>
At 30 June 2016	<u>15,589</u>
NET BOOK VALUE	
At 30 June 2016	<u>27,650</u>
At 31 May 2015	<u>31,284</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

12. TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	Short leasehold £	Trophies £
COST			
At 1 June 2015	4,535,730	650,000	302,870
Additions	191,849	-	-
Disposals	(56,100)	-	-
At 30 June 2016	<u>4,671,479</u>	<u>650,000</u>	<u>302,870</u>
DEPRECIATION			
At 1 June 2015	-	254,584	302,870
Charge for period	89,593	23,472	-
Eliminated on disposal	-	-	-
At 30 June 2016	<u>89,593</u>	<u>278,056</u>	<u>302,870</u>
NET BOOK VALUE			
At 30 June 2016	<u>4,581,886</u>	<u>371,944</u>	<u>-</u>
At 31 May 2015	<u>4,535,730</u>	<u>395,416</u>	<u>-</u>

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 June 2015	14,200	455,655	5,958,455
Additions	-	59,690	251,539
Disposals	-	(38,120)	(94,220)
At 30 June 2016	<u>14,200</u>	<u>477,225</u>	<u>6,115,774</u>
DEPRECIATION			
At 1 June 2015	14,200	344,738	916,392
Charge for period	-	54,482	167,547
Eliminated on disposal	-	(3,548)	(3,548)
At 30 June 2016	<u>14,200</u>	<u>395,672</u>	<u>1,080,391</u>
NET BOOK VALUE			
At 30 June 2016	<u>-</u>	<u>81,553</u>	<u>5,035,383</u>
At 31 May 2015	<u>-</u>	<u>110,917</u>	<u>5,042,063</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

13. FIXED ASSET INVESTMENTS

Group

	Interest in joint venture £	Unlisted investments £	Totals £
COST			
At 1 June 2015	1,890,534	2	1,890,536
Share of profit/(loss)	<u>1,020,102</u>	<u>-</u>	<u>1,020,102</u>
At 30 June 2016	<u>2,910,636</u>	<u>2</u>	<u>2,910,638</u>
NET BOOK VALUE			
At 30 June 2016	<u>2,910,636</u>	<u>2</u>	<u>2,910,638</u>
At 31 May 2015	<u>1,890,534</u>	<u>2</u>	<u>1,890,536</u>

Interest in joint venture

The group's share of the joint venture at the period end is as follows:

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 £
Turnover	1,260,309	1,079,324
Cost of sales	<u>(91,679)</u>	<u>(17,627)</u>
Gross profit	1,168,630	1,061,697
Administrative expenses	(1,093,412)	(869,047)
Depreciation charges	<u>(345,148)</u>	<u>(316,131)</u>
	(269,930)	(123,481)
Other operating income	<u>257,802</u>	<u>261,403</u>
Operating (loss)/profit	(12,128)	137,922
Interest receivable and similar income	<u>7,591</u>	<u>8,286</u>
	(4,537)	146,208
Interest payable and similar charges	<u>(42,740)</u>	<u>(46,110)</u>
(Loss)/Profit before tax	(47,277)	100,098
Taxation	(20,164)	(64,566)
Deferred taxation	<u>-</u>	<u>8,000</u>
(Loss)/Profit after tax	<u>(67,441)</u>	<u>43,532</u>
Amortisation of goodwill created on consolidation	<u>1,087,543</u>	<u>1,003,886</u>
Income from other participating interests	<u>1,020,102</u>	<u>1,047,418</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

13. FIXED ASSET INVESTMENTS - continued

Group

	30.6.16 £	31.5.15 £
Share of assets		
Fixed assets	7,240,221	7,563,576
Negative goodwill created on consolidation	(2,175,085)	(3,262,627)
Current assets	514,281	671,164
Share of liabilities		
Share of liabilities due within one year	(1,063,850)	(917,483)
Share of liabilities due after one year or more	(1,604,931)	(2,164,096)
Share of net assets	<u>2,910,636</u>	<u>1,890,534</u>

Company

	Shares in group undertakings £	Interest in joint venture £	Unlisted investments £	Totals £
COST				
At 1 June 2015				
and 30 June 2016	<u>46,686</u>	<u>1</u>	<u>2</u>	<u>46,689</u>
NET BOOK VALUE				
At 30 June 2016	<u>46,686</u>	<u>1</u>	<u>2</u>	<u>46,689</u>
At 31 May 2015	<u>46,686</u>	<u>1</u>	<u>2</u>	<u>46,689</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Huddersfield Canalside Limited

Nature of business: Members sports club

	% holding
Class of shares:	
A Ordinary	100.00

The shareholding in A Ordinary shares represents 99% of voting rights.

Joint venture

Kirklees Stadium Development Limited

Nature of business: Running of a sports stadium

	% holding
Class of shares:	
Ordinary	40.00

Kirklees Stadium Development Limited has an accounting year end of 31 July 2016. The consolidated accounts only include the results of the joint venture up to the 30 June 2016.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

14. STOCKS

	Group		Company	
	30.6.16	31.5.15	30.6.16	31.5.15
	£	£	£	£
Finished goods	<u>148,265</u>	<u>118,181</u>	<u>143,010</u>	<u>113,132</u>

15. DEBTORS

	Group		Company	
	30.6.16	31.5.15 as restated	30.6.16	31.5.15 as restated
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	3,290,618	2,262,372	3,277,372	2,260,956
Other debtors	4,584	7,473	4,047	7,472
Prepayments and accrued income	<u>580,453</u>	<u>512,733</u>	<u>578,412</u>	<u>505,837</u>
	<u>3,875,655</u>	<u>2,782,578</u>	<u>3,859,831</u>	<u>2,774,265</u>
Amounts falling due after more than one year:				
Trade debtors	<u>1,535,907</u>	<u>1,000,000</u>	<u>1,535,907</u>	<u>1,000,000</u>
Aggregate amounts	<u>5,411,562</u>	<u>3,782,578</u>	<u>5,395,738</u>	<u>3,774,265</u>

Trade debtors are stated after provisions for impairment of £20,276 (2015 - £5,000).

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.6.16	31.5.15	30.6.16	31.5.15
	£	£	£	£
Other loans (see note 18)	42,535,148	41,951,844	42,535,148	41,951,844
Hire purchase contracts (see note 19)	10,132	11,049	-	-
Trade creditors	2,128,286	1,830,972	2,086,323	1,796,293
Social security and other taxes	618,717	527,466	597,535	512,219
Other creditors	1,285,691	863,674	1,278,943	855,799
Deferred season ticket income	<u>1,555,337</u>	<u>1,807,905</u>	<u>1,555,337</u>	<u>1,807,905</u>
	<u>48,133,311</u>	<u>46,992,910</u>	<u>48,053,286</u>	<u>46,924,060</u>

Other creditors include amounts totalling £223,044 (2015 - £265,647) relating to termination benefits.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

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

	Group		Company	
	30.6.16	31.5.15	30.6.16	31.5.15
	£	£	£	£
Other loans (see note 18)	334,370	430,263	334,370	430,263
Hire purchase contracts (see note 19)	4,185	8,449	-	-
Trade creditors	<u>324,265</u>	<u>-</u>	<u>324,265</u>	<u>-</u>
	<u>662,820</u>	<u>438,712</u>	<u>658,635</u>	<u>430,263</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	30.6.16	31.5.15	30.6.16	31.5.15
	£	£	£	£
Amounts falling due within one year or on demand:				
Other loans	<u>42,535,148</u>	<u>41,951,844</u>	<u>42,535,148</u>	<u>41,951,844</u>
Amounts falling due between one and two years:				
Other loans	<u>89,971</u>	<u>81,951</u>	<u>89,971</u>	<u>81,951</u>
Amounts falling due between two and five years:				
Other loans	<u>244,399</u>	<u>245,853</u>	<u>244,399</u>	<u>245,853</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Other loans	<u>-</u>	<u>102,459</u>	<u>-</u>	<u>102,459</u>

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Hire purchase contracts	
	30.6.16	31.5.15
	£	£
Net obligations repayable:		
Within one year	10,132	11,049
Between one and five years	<u>4,185</u>	<u>8,449</u>
	<u>14,317</u>	<u>19,498</u>

The lease agreements generally include fixed lease payments and a purchase option at the end of the lease term.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

19. LEASING AGREEMENTS - continued

Group

	Non-cancellable operating leases	
	30.6.16	31.5.15
	£	£
Within one year	58,960	50,000
Between one and five years	<u>8,960</u>	<u>-</u>
	<u>67,920</u>	<u>50,000</u>

£50,000 of the rental due is contingent upon the performance of Huddersfield Canalside Limited. No rental has been charged relating to this commitment during the period.

Group and company

In addition to the above, the group had an annual commitment under a non-cancellable operating lease in respect of the stadium that expires in May 2143. 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 period was £911,157 (2015 - £823,342).

There is an additional lease in place for more than five years for the rental of land and buildings, a peppercorn rent is payable.

20. FINANCIAL INSTRUMENTS

	30.6.16	31.5.15
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>5,147,783</u>	<u>3,692,033</u>
Financial liabilities measured at amortised cost	<u>46,084,401</u>	<u>44,805,226</u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.16	31.5.15
			£	£
69,166,667	Ordinary	10p	6,916,667	3,916,667
4,166,666	Ordinary	5p	<u>208,333</u>	<u>208,333</u>
			<u>7,125,000</u>	<u>4,125,000</u>

30,000,000 Ordinary shares of 10p each were allotted and fully paid for cash at par during the period.

The shares issued during the period were fully paid from a directors loan account.

There are two classes of ordinary shares which hold equal rights. There are no restrictions on the distribution of dividends or the repayment of capital.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

22. RESERVES

Group

	Retained earnings £	Share premium £	Totals £
At 1 June 2015	(38,316,772)	375,000	(37,941,772)
Prior year adjustment	<u>167,100</u>	<u>-</u>	<u>167,100</u>
	(38,149,672)	375,000	(37,774,672)
Deficit for the period	<u>(1,596,310)</u>	<u>-</u>	<u>(1,596,310)</u>
At 30 June 2016	<u>(39,745,982)</u>	<u>375,000</u>	<u>(39,370,982)</u>

Company

	Retained earnings £	Share premium £	Totals £
At 1 June 2015	(40,228,673)	375,000	(39,853,673)
Prior year adjustment	<u>167,100</u>	<u>-</u>	<u>167,100</u>
	(40,061,573)	375,000	(39,686,573)
Deficit for the period	<u>(2,570,405)</u>	<u>-</u>	<u>(2,570,405)</u>
At 30 June 2016	<u>(42,631,978)</u>	<u>375,000</u>	<u>(42,256,978)</u>

Retained earnings - includes all current and prior period retained profits and losses.

Share premium - includes any premiums received on issue of share capital.

23. MINORITY INTERESTS

	30.6.16 £	31.5.15 £
Minority interests	<u>75,001</u>	<u>75,001</u>

24. PENSION COMMITMENTS

Included within other creditors are pension costs of £22,864 (2015 - £18,569) which are outstanding at the period end.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

25. CONTINGENT LIABILITIES

Group and company

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 30 June 2016 the maximum that could be payable is £3,159,833 (2015 - £3,318,500).

In addition to this future payments may be due relating to sell on clauses to previous Clubs dependent on the sale price achieved.

26. CAPITAL COMMITMENTS

	30.6.16	31.5.15
	£	£
Contracted but not provided for in the financial statements	<u>90,000</u>	<u>-</u>

27. RELATED PARTY DISCLOSURES

Entities over which the entity has control, joint control or significant influence

	30.6.16	31.5.15
	£	£
Sales to related parties	10,500	12,788
Recharges to related parties	250,490	257,805
Purchases from related parties	1,128,646	1,038,316
Recharges from related parties	235,514	235,864
Interest paid to related parties	16,476	17,703
Loan capital repaid to related parties	90,528	81,070
Amount due from related parties	541,212	452,162
Amount due to related parties	644,040	811,860
Provisions for uncollectible receivables relating to amount of outstanding balances	528,612	449,012
Recognised bad or doubtful debts due from related parties	<u>79,600</u>	<u>449,012</u>

Key management personnel of the entity or its parent (in the aggregate)

	30.6.16	31.5.15
	£	£
Loans received from related party	7,282,531	9,795,000
Loans repaid to related party	3,704,592	2,150,000
Conversion of loan into new share capital	3,000,000	3,500,000
Amount due to related party	<u>41,959,893</u>	<u>41,381,954</u>

Other related parties

	30.6.16	31.5.15
	£	£
Recharges to related party	54,205	41,254
Repayments received from related party	57,630	33,806
Amount due from related party	<u>4,047</u>	<u>7,472</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

28. POST BALANCE SHEET EVENTS

Following the period end, the Club acquired the player registrations of J Payne, C Schindler, J Gorenc Stankovic, I Paurevic and T Holmes-Dennis. The Club has released the player registrations of J Vaughan and I Miller. The Club has disposed of the player registration of J Lynch.

29. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is D Hoyle.

30. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Period 1.6.15 to 30.6.16 £	Year Ended 31.5.15 £
Loss before taxation	(1,576,146)	(6,829,135)
Depreciation charges	228,341	133,593
Loss on disposal of fixed assets	90,672	-
Amortisation charges	1,627,914	1,769,225
Profit on sale of players' registrations	(6,907,553)	(1,791,767)
Finance costs	59,337	63,813
Finance income	<u>(1,195,195)</u>	<u>(1,150,094)</u>
	(7,672,630)	(7,804,365)
Increase in stocks	(30,084)	(10,376)
Increase in trade and other debtors	(217,866)	(121,314)
Increase/(decrease) in trade and other creditors	<u>378,446</u>	<u>(401,123)</u>
Cash generated from operations	<u>(7,542,134)</u>	<u>(8,337,178)</u>

31. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in agreement with the amounts disclosed as cash at bank on the Consolidated Balance Sheet.

32. MAJOR NON-CASH TRANSACTIONS

The group has acquired fixed assets funded under hire purchase agreements. The total amount of additions in the period funded by hire purchase contracts amounted to £9,443 (2015 - £Nil).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JUNE 2015 TO 30 JUNE 2016**

33. FIRST YEAR ADOPTION

This is the first year that the company and group has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 May 2015. The date of transition to FRS 102 was 1 June 2014.

In preparing these accounts the directors have considered whether in applying the accounting policies required by FRS 102 a restatement of comparative information was needed. The only restatement of comparatives required is to reclassify £41,869,893 (2014 - £37,724,893) of other loans from amounts falling due after more than one year to amounts falling due within one year. There are no contracts in place defining the repayment date so the amounts owed have been classed as repayable on demand.

There are no other changes to the comparative information and there have been no changes in accounting policies as a result of the first year adoption of FRS 102.