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Capital Reward Limited

Company Registration No. 1771361 (England and Wales)

Abbreviated accounts

For the year ended 31 May 2005



Norwich Union House, High Street, Huddersfield, HD1 2LN
Tel. 01484 538351 Fax. 01484 550000

CAPITAL REWARD LIMITED

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CAPITAL REWARD LIMITED

INDEPENDENT AUDITORS' REPORT TO CAPITAL REWARD LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31 May 2005 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Mazars LLP

Mazars LLP

21 December 2005

**Chartered Accountants
and Registered Auditors**

Norwich Union House
High Street
Huddersfield
HD1 2LN

CAPITAL REWARD LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 MAY 2005

	Notes	2005		2004	
		£	£	£	£
Fixed assets					
Intangible assets	2	1,996,267		2,280,077	
Tangible assets	2	360,067		366,849	
Investments	2	2		2	
		<u>2,356,336</u>		<u>2,646,928</u>	
Current assets					
Stocks		51,183		49,862	
Debtors		161,627		456,541	
Cash at bank and in hand		903,400		422,812	
		<u>1,116,210</u>		<u>929,215</u>	
Creditors: amounts falling due within one year		<u>(1,931,090)</u>		<u>(1,601,602)</u>	
Net current liabilities		<u>(814,880)</u>		<u>(672,387)</u>	
Total assets less current liabilities		<u>1,541,456</u>		<u>1,974,541</u>	
Creditors: amounts falling due after more than one year		<u>(1,822,947)</u>		<u>(1,863,845)</u>	
		<u>(281,491)</u>		<u>110,696</u>	
Capital and reserves					
Called up share capital	3	250,000		250,000	
Profit and loss account		(531,491)		(139,304)	
Shareholders' funds - equity interests		<u>(281,491)</u>		<u>110,696</u>	

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

The financial statements were approved by the Board on 20.12.05.


K E Davy
Director


R S Armitage
Director

CAPITAL REWARD LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

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

1.4 Goodwill

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

1.5 Players' registrations

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

1.6 Tangible fixed assets and depreciation

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

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

1.7 Leasing

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

1.8 Investments

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

CAPITAL REWARD LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

1 Accounting policies

(continued)

1.9 Stock

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

1.10 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.11 Deferred taxation

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

1.12 Signing on fees

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

2 Fixed assets

	Intangible assets £	Tangible assets £	Investments £	Total £
Cost				
At 1 June 2004	2,527,390	417,838	2	2,945,230
Additions	-	55,279	-	55,279
At 31 May 2005	2,527,390	473,117	2	3,000,509
Depreciation				
At 1 June 2004	247,313	50,989	-	298,302
Charge for the year	283,810	62,061	-	345,871
At 31 May 2005	531,123	113,050	-	644,173
Net book value				
At 31 May 2005	1,996,267	360,067	2	2,356,336
At 31 May 2004	2,280,077	366,849	2	2,646,928

CAPITAL REWARD LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

3	Share capital	2005 £	2004 £
	Authorised		
	10,000,000 Ordinary shares of 10p each	1,000,000	1,000,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	2,500,000 Ordinary shares of 10p each	250,000	250,000
		<u> </u>	<u> </u>