Company Registration No. 02875169 (England and Wales)

HULL IONIANS RUFC LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

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HULL IONIANS RUFC LIMITED

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HULL IONIANS RUFC LIMITED

BALANCE SHEET

AS AT 30 JUNE 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		49,126		48,036
Current assets					
Stocks		18,487		15,580	
Debtors	4	59,398		43,865	
Cash at bank and in hand		27,981		32,658	
		105,866		92,103	
Creditors: amounts falling due within one year	5	(184,528)		(134,685)	
Net current liabilities			(78,662)		(42,582)
Total assets less current liabilities			(29,536)		5,454
Creditors: amounts falling due after more than one year	6		(25,042)		(32,649)
Net liabilities			(54,578)		(27,195)
Capital and reserves					
Called up share capital	7		2		2
Profit and loss reserves			(54,580)		(27,197)
Total equity			(54,578)		(27,195)

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 30 November 2017 and are signed on its behalf by:

Mr P Wilson
Director

Company Registration No. 02875169

1 Accounting policies

Company information

Hull Ionians RUFC Limited is a private company limited by shares incorporated in England and Wales. The registered office is Brantingham Park, Elloughton Road, Brantingham, East Yorkshire, HU15 1HX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 June 2017 are the first financial statements of Hull Ionians RUFC Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 July 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The accounts have been prepared on the going concern basis. The company incurred a loss for the year of £27,383 (2016: profit £13,128) and at the balance sheet date it had net current liabilities of £78,662 (2016: £42,582) and net liabilities of £54,578 (2016: £27,195).

In determining that the company remains a going concern, the directors have assumed that the company's bankers are content for the company's overdraft facility to remain at its current level subject to the loan repayment obligations continuing to be met.

The directors' assessment that the company remains a going concern does not, however, extend beyond the end of the current financial year.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods and services is recognised when the significant risks and rewards of ownership of the goods and services have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of sponsorship is recognised by reference to the period over which the agreement is spread.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 Accounting policies **(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold alterations	10% p.a. on straight line
Plant and machinery	33% p.a. on reducing balance
Fixtures, fittings & equipment	15% p.a. on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. It has no financial instruments which meet the definition of "Other Financial Instruments" per Section 12 of FRS102.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, cash and bank balances and loans to fellow group companies, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.13 Government grants

Government grants are accounted for under the accruals model.

The grants are classified as relating to fixed assets, and as such are recognised in income on a systematic basis over the expected useful lives of the assets.

2 Employees

The average monthly number of persons (excluding directors not under a contract of employment) employed by the company during the year was 83 (2016 - 83).

3 Tangible fixed assets

	Leasehold alterations	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2016	21,492	83,902	105,394
Additions	-	9,398	9,398
At 30 June 2017	21,492	93,300	114,792
Depreciation and impairment			
At 1 July 2016	12,198	45,160	57,358
Depreciation charged in the year	2,149	6,159	8,308
At 30 June 2017	14,347	51,319	65,666
Carrying amount			
At 30 June 2017	7,145	41,981	49,126
At 30 June 2016	9,294	38,742	48,036

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

4 Debtors

	2017	2016
Amounts falling due within one year:	**£**	**£**
Trade debtors	47,146	37,797
Amounts owed by group undertakings	10,000	-
Other debtors	2,252	6,068
	59,398	43,865

5 Creditors: amounts falling due within one year

	2017	2016
	£	**£**
Bank loans and overdrafts	4,347	4,143
Trade creditors	73,177	44,441
Other taxation and social security	16,843	18,883
Other creditors	90,161	67,218
	184,528	134,685

6 Creditors: amounts falling due after more than one year

	2017	2016
	£	**£**
Bank loans and overdrafts	5,991	10,236
Other creditors	19,051	22,413
	25,042	32,649

7 Called up share capital

	2017	2016
	£	**£**
Ordinary share capital		
Issued and fully paid		
2 Ordinary shares of £1 each	2	2
	2	2

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

8 Audit report information **(Continued)**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The accounts have been prepared on the going concern basis. The company incurred a loss for the year of £27,383 (2016; profit £13,128) and at the balance sheet date it had net current liabilities of £78,662 (2016; £42,582) and net liabilities of £54,578 (2016; £27,195). These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which, if the expectations of the directors are not met, may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue on a going concern.

The senior statutory auditor was John Gilleard FCA.
The auditor was Dutton Moore.

9 Financial commitments, guarantees and contingent liabilities

During financial year 2014, the company received grants from the Rugby Football Union (RFU), which were utilised towards the purchase of ground equipment and refurbishment. Under the terms of the grant, the company is obliged to retain the asset for a minimum of five years and if the club ceases to operate or becomes insolvent, the grant or a proportion thereof, may be repayable.

Given the company's balance sheet showed an insolvent position at the time the grant was made, the directors are of the opinion that the insolvency clause will not be invoked to secure repayment of the grant and that otherwise the likelihood of the grant having to be repaid is remote.

The company has subsequently received further grants from the RFU and the local authority. In both cases the initial entitlement criteria have been met, but there are also on-going obligations which, if not met, could lead to the grants or a proportion thereof having to be repaid. The Board are mindful of these conditions and work to ensure that no breaches occur. This being the case the Board considers the risk of repayment to be remote.

10 *Operating lease commitments*

Lessee
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017	2016
	£	£
	9,668	9,704

11 Parent company

The company's parent company and ultimate controlling party is Hull Ionians Rugby Union Football Club (Holdings) Limited, whose registered office and business address is Brantingham Park, Elloughton Road, Brantingham East Yorkshire HU15 1HX.