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Registered number
4032392

The Hull City Association Football Club (Tigers) Limited

Report and Accounts

31 July 2011

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The Hull City Association Football Club (Tigers) Limited
Report and accounts
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The Hull City Association Football Club (Tigers) Limited Company Information

Directors

A Allam
E Allam
M Maguire

Auditors

Jacksons
1 The Pathway
Alfred Gelder Street
Hull
East Yorkshire
HU1 1XR

Registered office

Kingston Communications Stadium
Walton Street
Hull
East Yorkshire
HU3 6HU

Registered number

4032392

The Hull City Association Football Club (Tigers) Limited

Registered number. 4032392

Directors' Report

The directors present their report and accounts for the year ended 31 July 2011

Principal activities

The company's principal activity is that of professional football

Review of the business

The Directors report a loss before tax for the year of £20,471,924 (2010 loss £6,830,737) and consider the company's future prospects to be satisfactory Included within this loss is the write off of £2,824,694 due from the former owners and their associates

The financial year ended 31 July 2011 represented the 2010/2011 season The Club finished 11 in the Championship League, with 65 points, following relegation from the Premier League

Key performance indicators are used to measure and evaluate company performance and to monitor various activities The main key performance indicators employed in the company are

	2011	2010
Turnover	£ 27,011,262	£ 47,476,563
Gross loss	£ 2,706,047	£ 2,254,323
Loss before tax	£ 20,471,924	£ 6,830,737
Staff costs	£ 21,208,560	£ 38,251,549
Net debt	£ 40,479,433	£ 16,760,343
Average league home attendance	21,170	24,389

On 17 December 2010 the company was acquired by Allamhouse Limited Since that time Allamhouse Limited has provided funding to the Club, to meet all trading obligations and creditors, amounting to £41,000,000

Directors

The following persons served as directors during the year

A Allam appointed 17 December 2010
E Allam appointed 20 December 2010
M Maguire
RD Bartlett resigned 17 December 2010
JP Craddock resigned 12 November 2010

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to

The Hull City Association Football Club (Tigers) Limited

Registered number: 4032392

Directors' Report

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

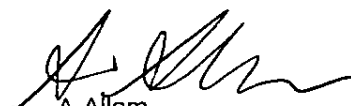
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This report was approved by the board on 19 December 2011 and signed on its behalf


A Allam
Director

The Hull City Association Football Club (Tigers) Limited
Independent auditors' report
to the shareholders of The Hull City Association Football Club (Tigers) Limited

We have audited the accounts of The Hull City Association Football Club (Tigers) Limited for the year ended 31 July 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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 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 an 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 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, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit the accounts 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

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts.

Opinion on the accounts

In our opinion the accounts

- give a true and fair view of the state of the company's affairs as at 31 July 2011 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 matters prescribed by the Companies Act 2006

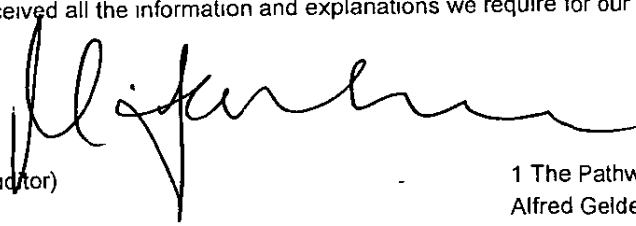
In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

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 our audit have not been received from branches not visited by us, or
- the accounts 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.

Mark Jackson
(Senior Statutory Auditor)
for and on behalf of
Jacksons
Accountants and Statutory Auditors
19 December 2011



1 The Pathway__
Alfred Gelder Street
Hull
East Yorkshire
HU1 1XR

The Hull City Association Football Club (Tigers) Limited
Profit and Loss Account
for the year ended 31 July 2011

	Notes	2011 £	2010 £
Turnover	1	27,011,262	47,473,563
Cost of sales		(23,849,750)	(40,489,075)
Amortisation of player registrations		(5,867,559)	(9,238,811)
Gross loss		<u>(2,706,047)</u>	<u>(2,254,323)</u>
Administrative expenses		(5,654,026)	(6,498,984)
Operating loss	2	<u>(8,360,073)</u>	<u>(8,753,307)</u>
Exceptional items			
(loss)/profit on the disposal of player registrations	3	(8,331,518)	3,849,848
(loss) on loan write offs	3	(2,824,694)	-
		<u>(11,156,212)</u>	<u>3,849,848</u>
		<u>(19,516,285)</u>	<u>(4,903,459)</u>
Interest receivable		2,723	-
Interest payable	6	(958,362)	(1,927,278)
Loss on ordinary activities before taxation		<u>(20,471,924)</u>	<u>(6,830,737)</u>
Tax on loss on ordinary activities	7	-	-
Loss for the financial year		<u>(20,471,924)</u>	<u>(6,830,737)</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the loss for the above two financial years

The Hull City Association Football Club (Tigers) Limited
Balance Sheet
as at 31 July 2011

	Notes	2011 £	2010 £
Fixed assets			
Intangible assets	8	4,779,773	13,630,211
Tangible assets	9	<u>455,386</u>	<u>523,088</u>
		5,235,159	14,153,299
Current assets			
Stocks	10	298,545	402,536
Debtors	11	6,664,370	9,877,878
Cash at bank and in hand		<u>520,567</u>	<u>155,085</u>
		7,483,482	10,435,499
Creditors amounts falling due within one year			
Allamhouse Limited	12	(10,169,633)	(43,255,803)
	12	<u>(41,005,701)</u>	<u>-</u>
Net current liabilities		(43,691,852)	(32,820,304)
Total assets less current liabilities		<u>(38,456,693)</u>	<u>(18,667,005)</u>
Provisions for liabilities			
Other provisions	15	(682,236)	-
Net liabilities		<u>(39,138,929)</u>	<u>(18,667,005)</u>
Capital and reserves			
Called up share capital	16	1,316,001	1,316,001
Profit and loss account	17	(40,454,930)	(19,983,006)
Shareholders' funds	18	<u>(39,138,929)</u>	<u>(18,667,005)</u>



A Allam
Director

Approved by the board and authorised for issue on 19 December 2011 and signed on their behalf by
A Allam

Registered Number
4032392

The Hull City Association Football Club (Tigers) Limited
Cash Flow Statement
for the year ended 31 July 2011

	Notes	2011 £	2010 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating loss		(8,360,073)	(8,753,307)
Depreciation and amortisation		6,045,409	9,434,353
Decrease/(increase) in stocks		103,991	(103,105)
Decrease in debtors		388,814	28,506
Decrease in creditors		(15,482,805)	(84,560)
Net cash (outflow)/inflow from operating activities		<u>(17,304,664)</u>	<u>521,887</u>
CASH FLOW STATEMENT			
Net cash (outflow)/inflow from operating activities		(17,304,664)	521,887
Returns on investments and servicing of finance	19	(955,639)	(1,927,278)
Capital expenditure	19	<u>(5,458,787)</u> <u>(23,719,090)</u>	<u>(47,974)</u> <u>(1,453,365)</u>
Financing	19	24,084,572	1,292,656
Increase/(decrease) in cash		<u>365,482</u>	<u>(160,709)</u>
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash in the period		365,482	(160,709)
Increase in debt and lease financing		(24,084,572)	(1,292,656)
Change in net debt	20	<u>(23,719,090)</u>	<u>(1,453,365)</u>
Net debt at 1 August		<u>(16,760,343)</u>	<u>(15,306,978)</u>
Net debt at 31 July		<u>(40,479,433)</u>	<u>(16,760,343)</u>

The Hull City Association Football Club (Tigers) Limited
Notes to the Accounts
for the year ended 31 July 2011

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Turnover

Turnover represents income receivable, net of VAT, from football and related commercial activities. Gate and other match day revenues are recognised over the period of the football season. Sponsorship and similar commercial income is recognised over the duration of the respective contracts. The fixed element of broadcasting revenues and facility fees is recognised over the duration of the financial year, additional facility fees arising are taken when earned. All income arises within the United Kingdom.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows

Fixtures and fittings	over 2/3/4/5/10 years on a straight line basis
Motor vehicles	25% per annum

Stocks

Stock is valued at the lower of cost and net realisable value. Cost is the purchase price of the goods plus the cost of carriage. Net realisable value is based on estimated selling price less all costs.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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

The Hull City Association Football Club (Tigers) Limited
Notes to the Accounts
for the year ended 31 July 2011

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Player registrations

Players transfer fees and related costs of player registrations are capitalised as intangible fixed assets and are amortised over the period of the players contracts. Coaching staff contracts are also capitalised. Where there has been an impairment in value provisions are made to reflect this.

Purchased goodwill is amortised over a period of ten years.

Grants

Revenue grants receivable by the company are recognised in the period in which the related expenditure occurs.

Going concern

The accounts are prepared on the going concern basis which assumes the business will continue to trade for the foreseeable future. The company made a loss for the year of £20,471,924 and at the year end had a net deficit of £39,138,929. The holding company has provided funds to meet all trading obligations and will continue to support the company. In the opinion of the directors it is correct to prepare the accounts on this basis.

2 Operating loss	2011	2010
	£	£
This is stated after charging		
Depreciation of owned fixed assets	150,537	155,861
Depreciation of assets held under finance leases and hire purchase contracts	10,000	10,000
Amortisation of goodwill	17,314	29,681
Amortisation of player costs	5,867,558	9,238,811
Operating lease rentals - motor vehicles	172,412	150,384
Operating lease rentals - land buildings	389,743	354,312
Auditors' remuneration for audit services	8,500	8,500
Auditors' remuneration for other services	1,500	500
	<hr/>	<hr/>
3 Exceptional items	2011	2010
	£	£
(Loss)/gain on disposal of player registrations	(8,331,518)	3,849,848
Loans written off	(2,824,694)	-
	<hr/>	<hr/>
	(11,156,212)	3,849,848

The Hull City Association Football Club (Tigers) Limited
Notes to the Accounts
for the year ended 31 July 2011

4 Directors' emoluments	2011 £	2010 £
Remuneration	166,684	613,483
Compensation for loss of office	37,600	-
	<u>204,284</u>	<u>613,483</u>
Highest paid director Remuneration	<u>87,676</u>	<u>275,000</u>

5 Staff costs	2011 £	2010 £
Wages and salaries	18,787,899	34,479,560
Social security costs	2,404,354	3,787,193
Other pension costs	16,307	(15,204)
	<u>21,208,560</u>	<u>38,251,549</u>

Average number of employees during the year	Number	Number
Players and coaches	92	84
Administration	37	31
Sales and marketing	21	12
	<u>150</u>	<u>127</u>

6 Interest payable	2011 £	2010 £
Bank loans and overdrafts	113,280	1,815,983
Other loans	842,617	108,830
Finance charges payable under finance leases and hire purchase contracts	2,465	2,465
	<u>958,362</u>	<u>1,927,278</u>

All interest payable relates to transactions occurring prior to the acquisition of the company by Allamhouse Limited

The Hull City Association Football Club (Tigers) Limited
Notes to the Accounts
for the year ended 31 July 2011

7 Taxation	2011	2010
	£	£
Analysis of charge in period		
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	2011	2010
	£	£
Loss on ordinary activities before tax	<u>(20,471,924)</u>	<u>(6,830,737)</u>
Standard rate of corporation tax in the UK	27%	28%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	(5,527,419)	(1,912,606)
Effects of		
Unutilised tax losses carried forward	4,594,147	1,750,237
Capital allowances for period in excess of depreciation	14,918	-
Expenses not deductible for tax purposes	918,354	162,369
	<u>-</u>	<u>-</u>
Current tax charge for period	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The company has losses available to carry forward against future profits of £35,175,599 (2010 £18,973,975), after surrendering losses of £825,421 to group companies

The Hull City Association Football Club (Tigers) Limited
Notes to the Accounts
for the year ended 31 July 2011

8 Intangible fixed assets	Players, transfer fees and related costs	Goodwill	£
Goodwill			
Cost			
At 1 August 2010	24,512,959	296,814	24,809,773
Additions	5,730,354	-	5,730,354
Disposals	(12,094,234)	-	(12,094,234)
At 31 July 2011	<u>18,149,079</u>	<u>296,814</u>	<u>18,445,893</u>
Amortisation			
At 1 August 2010	10,900,062	279,500	11,179,562
Provided during the year	5,867,558	17,314	5,884,872
Impairment provision	6,085,906	-	6,085,906
On disposals	(9,484,220)	-	(9,484,220)
At 31 July 2011	<u>13,369,306</u>	<u>296,814</u>	<u>13,666,120</u>
Net book value			
At 31 July 2011	<u>4,779,773</u>	<u>-</u>	<u>4,779,773</u>
At 31 July 2010	<u>13,612,897</u>	<u>17,314</u>	<u>13,630,211</u>

9 Tangible fixed assets

	Motor vehicles	Fixtures, fittings, tools and equipment	Total
	£	£	£
Cost			
At 1 August 2010	16,851	806,300	823,151
Additions	-	92,835	92,835
At 31 July 2011	<u>16,851</u>	<u>899,135</u>	<u>915,986</u>
Depreciation			
At 1 August 2010	7,862	292,201	300,063
Charge for the year	5,618	154,919	160,537
At 31 July 2011	<u>13,480</u>	<u>447,120</u>	<u>460,600</u>
Net book value			
At 31 July 2011	<u>3,371</u>	<u>452,015</u>	<u>455,386</u>
At 31 July 2010	<u>8,989</u>	<u>514,099</u>	<u>523,088</u>
		2011	2010
		£	£
Net book value of fixed assets included above held under finance leases and hire purchase contracts		<u>20,833</u>	<u>30,833</u>

The Hull City Association Football Club (Tigers) Limited
Notes to the Accounts
for the year ended 31 July 2011

10 Stocks	2011	2010
	£	£
Finished goods and goods for resale	<u>298,545</u>	<u>402,536</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material

11 Debtors	2011	2010
	£	£
Trade debtors	1,172,277	3,176,798
Amounts owed by group undertakings and undertakings in which the company has a participating interest	3,966,054	2,944,647
Amount due from related party	-	2,214,557
Other debtors	726,959	1,047,038
Prepayments and accrued income	792,429	494,838
Directors loan account	6,651	-
	<u>6,664,370</u>	<u>9,877,878</u>

12 Creditors: amounts falling due within one year	2011	2010
	£	£
Bank loans and overdrafts	-	12,803,228
Other loans	-	4,095,533
Obligations under finance lease and hire purchase contracts	-	16,667
Trade creditors	4,365,982	14,010,014
Other taxes and social security costs	978,237	5,557,148
Other creditors	6,186	1,433,129
Accruals and deferred income	4,819,228	5,340,084
	<u>10,169,633</u>	<u>43,255,803</u>
Amounts owed to parent company - Allamhouse Limited	41,005,701	-
	<u>51,175,334</u>	<u>43,255,803</u>

13 Loans	2011	2010
	£	£
Analysis of maturity of debt		
Within one year or on demand	<u>-</u>	<u>16,915,428</u>

The Hull City Association Football Club (Tigers) Limited
Notes to the Accounts
for the year ended 31 July 2011

14 Obligations under finance leases and hire purchase contracts	2011 £	2010 £
Amounts payable		
Within one year	<u>-</u>	<u>16 667</u>

15 Provisions for liabilities

	£
At 1 August 2010	-
Provisions made in year	682,236
	<u>682,236</u>
At 31 July 2011	<u>682,236</u>

A provision of £682,236 has been made in respect of potential tax liabilities arising from an ongoing HMRC enquiry

16 Share capital	Nominal value	2011 Number	2011 £	2010 £
Allotted, called up and fully paid				
Ordinary shares	£1 each	1,316,001	<u>1,316,001</u>	<u>1,316,001</u>

17 Profit and loss account	2011 £
At 1 August 2010	(19,983,006)
Loss for the financial year	(20,471,924)
	<u>(40,454,930)</u>
At 31 July 2011	<u>(40,454,930)</u>

18 Reconciliation of movement in shareholders' funds	2011 £	2010 £
At 1 August	(18,667,005)	(11,836,268)
Loss for the financial year	(20,471,924)	(6,830,737)
	<u>(39,138,929)</u>	<u>(18,667,005)</u>
At 31 July	<u>(39,138,929)</u>	<u>(18,667,005)</u>

The Hull City Association Football Club (Tigers) Limited
Notes to the Accounts
for the year ended 31 July 2011

19 Gross cash flows	2011	2010
	£	£
Returns on investments and servicing of finance		
Interest received	2 723	-
Interest paid	(955,897)	(1,924,813)
Interest element of finance lease rental payments	(2,465)	(2,465)
	<u>(955,639)</u>	<u>(1,927,278)</u>
Capital expenditure		
Payments to acquire players	(5,730,354)	(8,866,536)
Payments to acquire tangible fixed assets	(92,835)	(272,564)
Receipts from sales of players	364,402	9,091,126
	<u>(5,458,787)</u>	<u>(47,974)</u>
Financing		
Loans received from Allamhouse Limited - parent company	41,000,000	3,608,830
Loan repayments	(16,898,761)	(2,299,508)
Capital element of finance lease rental payments	(16,667)	(16,666)
	<u>24,084,572</u>	<u>1,292,656</u>

20 Analysis of changes in net debt

	At 1 Aug 2010	Cash flows	Non-cash changes	At 31 Jul. 2011
	£	£	£	£
Cash at bank and in hand	155,085	365,482		520,567
Debt due within 1 year	(12,803,228)	12,803,228		-
Other loans	(4,095,533)	4,095,533		-
Group balances		(41,000,000)		(41,000,000)
Finance leases	(16,667)	16,667		-
		<u>(24,084,572)</u>		
Total	<u>(16,760,343)</u>	<u>(23,719,090)</u>	<u>-</u>	<u>(40,479,433)</u>

The Hull City Association Football Club (Tigers) Limited
Notes to the Accounts
for the year ended 31 July 2011

21 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2011 £	Land and buildings 2010 £	Other 2011 £	Other 2010 £
Operating leases which expire				
within one year	-	-	27,913	97,072
within two to five years	-	-	-	2,750
in over five years	428,718	389,743	-	-
	<u>428,718</u>	<u>389,743</u>	<u>27,913</u>	<u>99,822</u>

22 Contingent liabilities

The company is currently the subject of legal action in relation to an ex-employee who is claiming compensation. The company is defending the claim, which could amount to £2,500,000 should it succeed, and are of the opinion that the company has a valid defence.

At the year end the company had future obligations in respect of payments to players, depending on appearances and results, amounting to £3,250,000.

23 Related party transactions

2011
£

Tiger Holdings Limited

Former parent company, controlled by RD Bartlett

On the change of ownership of the Club a loan outstanding from this company was written off

2,944,647

24 Directors loan account

At the year ended an amount of £6,651 was outstanding from M Maguire, which was advanced during the year.

25 Ultimate controlling party

The parent company is Allamhouse Limited, a company incorporated in Great Britain and registered in England and Wales, controlled by Mr A Allam.