

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**Report and Financial Statements**

**31 July 2004**



**Deloitte & Touche LLP  
Leeds**

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2004**

**CONTENTS**

**Page**

<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Statement of directors' responsibilities</b>	<b>3</b>
<b>Independent auditors' report</b>	<b>4</b>
<b>Profit and loss account</b>	<b>5</b>
<b>Balance sheet</b>	<b>6</b>
<b>Cash flow statement</b>	<b>7</b>
<b>Notes to the accounts</b>	<b>8</b>

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2004**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

A F Pearson (Chairman)  
M Brannigan  
J S Holmes  
R M James

**SECRETARY**

R M James

**ASSOCIATE DIRECTORS**

J Dick  
T Boanas

**REGISTERED OFFICE**

Kingston Communications Stadium  
Walton Street  
Anlaby Road  
Hull  
HU3 6HU

**BANKERS**

Lloyds TSB Bank plc  
2 Silver Street  
Hull  
HU1 1HX

**SOLICITORS**

Walker Morris  
Kings Court  
12 King Street  
Leeds  
LS1 2HL

**AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
Leeds

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**DIRECTORS' REPORT**

The directors present their annual report and audited financial statements for the year ended 31 July 2004.

**ACTIVITIES**

The company's principal activity is that of professional football.

**REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The directors are pleased to report the profit for the year of £265,125 (2003: loss of £980,486) and consider the company's future prospects to be satisfactory.

**DIVIDENDS AND TRANSFERS TO RESERVES**

The directors do not recommend the payment of a dividend leaving the profit of £265,125 (2003: loss of £980,486) to be transferred to/(deducted from) reserves.

**DIRECTORS AND THEIR INTERESTS**

The directors who served during the year, together with their interests in the share capital of the company, are as follows:

	<b>£1 Ordinary shares</b>	
	<b>2004</b>	<b>2003</b>
M Brannigan	-	-
J S Holmes	-	-
R M James	-	-
A F Pearson	1,316,001	1,316,001

**AUDITORS**

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors  
and signed on behalf of the Board



M Brannigan  
Director

11 May 2005

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

We have audited the financial statements of The Hull City Association Football Club (Tigers) Limited for the year ended 31 July 2004 which comprise the profit and loss account, the balance sheet, the cash flow statement, and the related notes 1 to 23. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above period and consider the implications for our report if we become aware of any apparent misstatements.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche LLP**

Chartered Accountants  
and Registered Auditors

Leeds

18 May 2005

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 July 2004**

	Note	2004 £	2003 £
<b>TURNOVER: continuing operations</b>	2	6,728,605	4,909,189
Cost of sales		(5,011,141)	(4,109,550)
Gross profit		<u>1,717,464</u>	<u>799,639</u>
Administrative expenses		(1,440,251)	(1,759,920)
<b>OPERATING PROFIT/(LOSS): continuing operations</b>	4	277,213	(960,281)
Interest payable and similar charges	5	(12,088)	(20,205)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		265,125	(980,486)
Tax on profit/(loss) on ordinary activities	6	-	-
<b>RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	16	265,125	(980,486)
<b>RETAINED LOSS BROUGHT FORWARD</b>		(3,424,245)	(2,443,759)
<b>RETAINED LOSS CARRIED FORWARD</b>		<u>(3,159,120)</u>	<u>(3,424,245)</u>

There are no recognised gains and losses for the current and previous financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses has been presented.

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**BALANCE SHEET  
31 July 2004**

	Note	2004 £	2003 £
<b>FIXED ASSETS</b>			
Intangible assets	7	792,906	859,278
Tangible assets	8	18,352	27,535
		<u>811,258</u>	<u>886,813</u>
 <b>CURRENT ASSETS</b>			
Stocks	9	98,884	100,840
Debtors	10	518,016	682,168
Cash at bank and in hand		158,282	9,699
		<u>775,182</u>	<u>792,707</u>
 <b>CREDITORS: amounts falling due within one year</b>	11	<u>(3,413,437)</u>	<u>(3,743,267)</u>
 <b>NET CURRENT LIABILITIES</b>		<u>(2,638,255)</u>	<u>(2,950,560)</u>
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(1,826,997)	(2,063,747)
 <b>CREDITORS: amounts falling due after more than one year</b>	12	<u>(16,122)</u>	<u>(44,497)</u>
 <b>NET LIABILITIES</b>		<u>(1,843,119)</u>	<u>(2,108,244)</u>
 <b>CAPITAL AND RESERVES</b>			
Called up share capital	15	1,316,001	1,316,001
Profit and loss account		<u>(3,159,120)</u>	<u>(3,424,245)</u>
 <b>TOTAL EQUITY SHAREHOLDERS' DEFICIT</b>	16	<u>(1,843,119)</u>	<u>(2,108,244)</u>

These financial statements were approved by the Board of Directors on **11 MAY 2005**

Signed on behalf of the Board of Directors



M Brannigan  
Director



**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**CASH FLOW STATEMENT  
Year ended 31 July 2004**

	Note	2004 £	2003 £
<b>Net cash inflow from operating activities</b>	17	1,254,287	179,724
<b>Returns on investments and servicing of finance</b>			
Bank overdraft interest paid	(8,807)	(16,358)	
Interest element of hire purchase repayments	(3,281)	(3,847)	
		<u>          </u>	<u>          </u>
<b>Net cash outflow from returns on investments and servicing of finance</b>		(12,088)	(20,205)
<b>Capital expenditure</b>			
Payment to acquire intangible fixed assets	(404,750)	(504,931)	
Payments to acquire tangible fixed assets	(3,744)	-	
Receipts from sales of tangible fixed assets	13,000	64,037	
		<u>          </u>	<u>          </u>
<b>Net cash outflow from capital expenditure</b>		(395,494)	(440,894)
<b>Net cash inflow/(outflow) before financing</b>		846,705	(281,375)
<b>Financing</b>			
Capital element of hire purchase repayments	(18,854)	(86,662)	
		<u>          </u>	<u>          </u>
<b>Net cash outflow from financing</b>		(18,854)	(86,662)
<b>Increase/(decrease) in cash</b>	18/19	<u>827,851</u>	<u>(368,037)</u>

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 July 2004**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently throughout the current and preceding year.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Intangible fixed assets**

Players' transfer fees and associated costs related to player registrations are capitalised as intangible fixed assets and are amortised over the period of the players' contracts including subsequent agreed extensions.

Purchased goodwill is amortised over a period of ten years.

**Tangible fixed assets**

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Fixtures and fittings	10% per annum
Motor vehicles	25% per annum

**Stocks**

Stocks which consist of goods for resale, are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving stock.

Cost is defined as the purchase price of the goods plus the cost of carriage. Net realisable value is based on estimated selling price less all further costs to completion and all relevant marketing, selling and distribution costs.

**Taxation**

Current tax, including UK Corporation Tax, is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on a non discounted basis.

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**NOTES TO THE ACCOUNTS**

**Year ended 31 July 2004**

**1. ACCOUNTING POLICIES (continued)**

**Leases**

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The capital elements of future lease and hire purchase obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the contracts to produce a constant rate of charge on the balance of capital repayments outstanding.

**Pension costs**

The company operates a money purchase scheme for the benefit of its employees. Contributions are charged to the profit and loss account in the period in which they are payable.

**Deferred income**

Deferred income represents income from sponsorship agreements and other contractual agreements which is credited to the profit and loss account over the period of the agreement, and season ticket renewals for the forthcoming season.

**Grants**

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

**2. TURNOVER**

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

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Directors' emoluments</b>		
Emoluments	107,702	160,992
Pension contributions	5,167	8,500
	<u>112,869</u>	<u>169,492</u>
	<b>No.</b>	<b>No.</b>
<b>Average number of persons employed:</b>		
Players and coaching staff	47	48
Office and administration	17	17
Sales and marketing	6	5
	<u>70</u>	<u>70</u>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year (including directors):</b>		
Wages and salaries	3,496,056	3,123,432
Social security costs	352,481	228,870
Pension costs	30,008	43,048
	<u>3,878,545</u>	<u>3,395,350</u>

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 July 2004**

**4. OPERATING PROFIT/(LOSS)**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Operating profit/(loss) is after charging/(crediting):</b>		
Depreciation and other amounts written off		
tangible and intangible fixed assets		
Owned assets	281	33,144
Leased assets	12,646	48,081
Amortisation of players and goodwill	443,089	297,720
Profit on disposal of tangible fixed assets	(13,000)	(44,038)
Loss on disposal on intangible fixed assets	28,033	315,945
Rentals under operating leases		
- plant and machinery	56,414	33,637
- other	166,000	273,748
Auditors' remuneration	6,000	5,500
	<u>                    </u>	<u>                    </u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Bank overdraft	8,807	16,358
Hire purchase	3,281	3,847
	<u>                    </u>	<u>                    </u>
	12,088	20,205
	<u>                    </u>	<u>                    </u>

**6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Current corporation tax charge for the year	-	-
	<u>                    </u>	<u>                    </u>
The standard rate of tax for the year, based on the UK standard small company rate of corporation tax is 19% (2003: 19%). The actual tax charge varies from the standard rate due to the reasons set out in the following reconciliation.		
	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Profit/(loss) on activities before taxation	265,125	(980,486)
	<u>                    </u>	<u>                    </u>
Tax on profit/(loss) on ordinary activities at standard rate	50,374	(186,292)
	<u>                    </u>	<u>                    </u>
<i>Factors affecting charge for the year:</i>		
Expenses not allowable for corporation tax purposes	21,685	7,147
Other timing differences	(2,850)	-
Capital allowances for period in excess of depreciation	(1,532)	470
Losses not provided	-	178,675
Prior year losses utilised	(67,677)	-
	<u>                    </u>	<u>                    </u>
Total amount of current tax	-	-
	<u>                    </u>	<u>                    </u>

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 July 2004**

**6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES (continued)**

Deferred tax assets have not been recognised in respect of timing differences relating to tax losses available for offset against future profits of the same trade, accelerated capital allowances, provisions and capital losses. Deferred tax assets have not been recognised in respect of these items as the directors are of the opinion it would not be prudent to do so.

**7. INTANGIBLE FIXED ASSETS**

	<b>Players transfer fees and related costs £</b>	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 August 2003	1,038,541	296,814	1,335,355
Additions	404,750	-	404,750
Disposals	(367,010)	-	(367,010)
	<hr/>	<hr/>	<hr/>
At 31 July 2004	1,076,281	296,814	1,373,095
	<hr/>	<hr/>	<hr/>
<b>Accumulated amortisation</b>			
At 1 August 2003	404,347	71,730	476,077
Charge for the year	413,408	29,681	443,089
Disposals	(338,977)	-	(338,977)
	<hr/>	<hr/>	<hr/>
At 31 July 2004	478,778	101,411	580,189
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 July 2004	597,503	195,403	792,906
	<hr/>	<hr/>	<hr/>
At 31 July 2003	634,194	225,084	859,278
	<hr/>	<hr/>	<hr/>

Transfer agreements sometimes involve additional payments or receipts depending on the future performance of the player. At 31 July 2004, possible further payments amounting to £152,000 (2003:£67,000) exist under such agreements. These are not provided for in the financial statements.

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**NOTES TO THE ACCOUNTS  
Year ended 31 July 2004**

**8. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 August 2003	1,612	60,250	61,862
Additions	3,744	-	3,744
Disposals	-	(26,750)	(26,750)
	<hr/>	<hr/>	<hr/>
At 31 July 2004	5,356	33,500	38,856
	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>			
At 1 August 2003	1,612	32,715	34,327
Charge for the year	281	12,646	12,927
Disposals	-	(26,750)	(26,750)
	<hr/>	<hr/>	<hr/>
At 31 July 2004	1,893	18,611	20,504
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 July 2004	3,463	14,889	18,352
	<hr/>	<hr/>	<hr/>
At 31 July 2003	-	27,535	27,535
	<hr/>	<hr/>	<hr/>

The net book value of tangible fixed asset includes £14,889 (2003: £27,535) in respect of assets held under hire purchase contracts.

**9. STOCKS**

	2004 £	2003 £
Goods for resale	98,884	100,840
	<hr/>	<hr/>

**10. DEBTORS**

	2004 £	2003 £
Trade debtors	195,661	480,682
Other debtors	60,958	105,573
Prepayments and accrued income	58,694	95,913
Amounts owed by related party (note 21)	202,703	-
	<hr/>	<hr/>
	518,016	682,168
	<hr/>	<hr/>

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 July 2004**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2004 £	2003 £
Bank overdraft (note 13)	-	679,268
Other loan (note 13)	134,000	134,000
Obligations under hire purchase contracts (note 13)	8,375	18,854
Trade creditors	287,918	458,078
Amounts owed to related parties (note 21)	-	596,601
Other taxes and social security	386,346	250,077
Other creditors	6,521	15,001
Accruals and deferred income	2,590,277	1,591,388
	<u>3,413,437</u>	<u>3,743,267</u>

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2004 £	2003 £
Obligations under hire purchase contracts (note 13)	16,122	24,497
Deferred income	-	20,000
	<u>16,122</u>	<u>44,497</u>

**13. BORROWINGS**

	2004 £	2003 £
Bank overdraft	-	679,268
Other loan	134,000	134,000
Obligations under finance leases and hire purchase contracts	24,497	43,351
	<u>158,497</u>	<u>856,619</u>

The maturity of the above amounts is as follows:

In one year or less, or on demand	142,375	832,122
Within one to two years	4,187	4,188
Within two to five years	11,935	20,309
	<u>158,497</u>	<u>856,619</u>

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**NOTES TO THE ACCOUNTS**

**Year ended 31 July 2004**

**14. PROVISIONS FOR LIABILITIES AND CHARGES**

The amounts provided in the accounts and the amounts not provided are as follows:

	<b>Provided</b>		<b>Not provided</b>	
	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other timing differences	-	-	-	(2,850)
Depreciation in excess of capital allowances	-	-	(12,581)	(14,113)
Trading losses	-	-	(537,275)	(604,952)
	<u>-</u>	<u>-</u>	<u>(549,856)</u>	<u>(621,915)</u>
Deferred tax credit not provided	-	-	(549,856)	(621,915)
	<u>-</u>	<u>-</u>	<u>(549,856)</u>	<u>(621,915)</u>

**15. CALLED UP SHARE CAPITAL**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
2,500,000 ordinary shares of £1 each	<u>2,500,000</u>	<u>2,500,000</u>
<b>Called up, allotted and fully paid</b>		
1,316,001 ordinary shares of £1 each	<u>1,316,001</u>	<u>1,316,001</u>

**16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS DEFICIT**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Opening shareholders' deficit	(2,108,244)	(1,127,758)
Profit/(loss) attributable to members of the company	<u>265,125</u>	<u>(980,486)</u>
Closing shareholders' deficit	<u>(1,843,119)</u>	<u>(2,108,244)</u>

**17. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Operating profit/(loss)	277,213	(960,281)
Depreciation	12,927	81,224
Amortisation	443,089	297,720
Profit on disposal of tangible assets	(13,000)	(44,038)
Loss on disposal of intangible assets	28,033	315,945
Decrease/(increase) in stock	1,956	(34,206)
Decrease/(increase) in debtors	164,152	(303,360)
Increase in creditors	<u>339,917</u>	<u>826,720</u>
Net cash inflow from operating activities	<u>1,254,287</u>	<u>179,724</u>



**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**NOTES TO THE ACCOUNTS**

**Year ended 31 July 2004**

**18. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2004 £	2003 £
<b>Increase/(decrease) in cash in the year</b>	827,851	(368,037)
Net cash outflow from decrease in debt and lease financing	18,854	86,662
Change in net debt resulting from cash flows	846,705	(281,375)
New hire purchase contracts	-	(33,500)
Opening net debt	(846,920)	(532,045)
Closing net debt	(215)	(846,920)

**19. ANALYSIS OF NET DEBT**

	1 August 2003 £	Cash flows £	Non-cash movements £	31 July 2004 £
Cash in hand and at bank	9,699	148,583	-	158,282
Overdraft	(679,268)	679,268	-	-
	(669,569)	827,851	-	158,282
Other loan	(134,000)	-	-	(134,000)
Obligations under hire purchase contracts	(43,351)	18,854	-	(24,497)
	(177,351)	18,854	-	(158,497)
	(846,920)	846,705	-	(215)

**20. NON-CASH TRANSACTIONS**

During the year, the company entered into hire purchase contracts in respect of assets with a total capital value at the inception of the lease of £Nil (2003: £33,500).

**21. RELATED PARTY TRANSACTIONS**

Mr A F Pearson is the company's controlling party.

During the year, the company collected income, and incurred expenditure, from and on behalf of Superstadium Management Company Limited, a company for which Mr A F Pearson is also a director and the sole shareholder. At 31 July 2004, the company owed £Nil (2003: £596,601) to Superstadium Management Company Limited and was owed £202,703 (2003: £Nil) by Superstadium Management Company Limited.

**THE HULL CITY ASSOCIATION  
FOOTBALL CLUB (TIGERS) LIMITED**

**NOTES TO THE ACCOUNTS**

**Year ended 31 July 2004**

**22. OPERATING LEASE COMMITMENTS**

At 31 July 2004, the company was committed to making the following payments during the next year in respect of operating leases.

	<b>Land and buildings £</b>	<b>Other £</b>
Leases which expire:		
Within one year	9,900	45,075
Within one to two years	-	-
Within two to five years	10,000	-
Over five years	212,000	-
	<u>231,900</u>	<u>45,075</u>

**23. PENSIONS**

The company operates a money purchase pension scheme. Company contributions to the scheme amounted to £30,008 in the year (2003: £43,048). There were accrued pension contributions of £Nil at 31 July 2004 (2003: £13,633).