

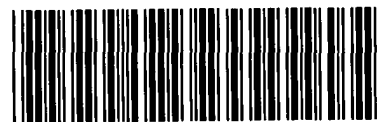
Registered number
04179402

Superstadium Management Company Limited

Report and Financial Statements

30 June 2019

TUESDAY



A8D0P88H

A28

10/09/2019

#71

COMPANIES HOUSE

Superstadium Management Company Limited
Report and accounts
Contents

| | Page |
|-----------------------------------|-------------|
| Company information | 1 |
| Directors' report | 2 |
| Strategic report | 4 |
| Independent auditor's report | 5 |
| Income statement | 7 |
| Statement of financial position | 8 |
| Statement of changes in equity | 9 |
| Statement of cash flows | 10 |
| Notes to the financial statements | 11 |

Superstadium Management Company Limited

Company Information

Directors

Dr A Allam
E Allam

Auditors

Jacksons
First Floor
Albion House
Albion Street
Hull
HU1 3TE

Registered office

KC Stadium
West Park
Hull
HU1 3TE

Registered number

04179402

Superstadium Management Company Limited

Registered number: 04179402

Directors' Report

The directors present their report and financial statements for the year ended 30 June 2019.

Principal activities

The company's principal activity during the year continued to be the operation of a sports arena and stadium.

Future developments

See the strategic report

Events since the balance sheet date

See the strategic report.

Directors

The following persons served as directors during the year:

Dr A Allam

E Allam

Directors' responsibilities

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 102 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 of the profit or loss of the company 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 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 financial statements;
- 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 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 financial statements 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

Superstadium Management Company Limited

Registered number: 04179402

Directors' Report

- 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 9 September 2019 and signed on its behalf.



Dr A Allam
Director

Superstadium Management Company Limited

Strategic Report

Review of business

The company reported an increased loss during the year of £2,071,652 as against a loss in the previous year of £1,905,957. This was due to a reduction in events at the stadium in the year compared to 2018 and a fall in attendance commission.

Principal risks

The principal risks to the company are the performance of the football team and rugby club who use the stadium. The risks are mitigated by having good football and rugby managers plus supporting staff who look for good new talent, keep them fit and also motivated.

Key performance indicators

| | 2019 | 2018 | % change |
|-----------------------|-------------|-------------|-----------------|
| | £ | £ | |
| Rental Income | 1,187,193 | 1,173,595 | 1.2% |
| Attendance Commission | 127,442 | 441,810 | -71.2% |
| Catering Commission | 401,413 | 501,965 | -20.0% |
| Other Income | 1,490,052 | 1,689,257 | -11.8% |

Future Developments

The success of the company in the future mainly depends on the success of the football and rugby clubs and particularly the former. This is essential to maintain and increase football attendances and also to attract new sponsors.

This report was approved by the board on 9th September 2019 and signed on its behalf.



Dr A Allam
Director

Superstadium Management Company Limited
Independent auditor's report
to the members of Superstadium Management Company Limited

Opinion

We have audited the financial statements of Superstadium Management Company Limited for the year ended 30 June 2019 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (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 auditor's 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Superstadium Management Company Limited
Independent auditor's report
to the members of Superstadium Management Company Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 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; or

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

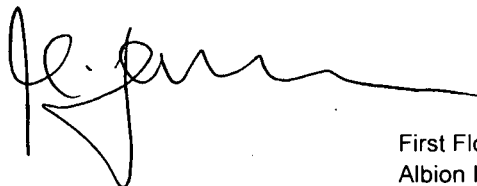
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Mark Jackson BA FCA
(Senior Statutory Auditor)
for and on behalf of
Jacksens
Accountants and Statutory Auditors
9 September 2019



First Floor
Albion House
Albion Street
Hull
HU1 3TE

Superstadium Management Company Limited
Income Statement
for the year ended 30 June 2019

| | Notes | 2019 £ | 2018 £ |
|--|-------|--------------------|--------------------|
| Turnover | 3 | 3,206,100 | 3,806,627 |
| Cost of sales | | (3,024,754) | (3,519,059) |
| Gross profit | | <u>181,346</u> | <u>287,568</u> |
| Administrative expenses | | (1,666,264) | (1,657,276) |
| Operating loss | 4 | <u>(1,484,918)</u> | <u>(1,369,708)</u> |
| Loss on sale of fixed assets | | - | (8,101) |
| Interest receivable | | 417 | 131 |
| Interest payable | 6 | (587,151) | (528,279) |
| Loss on ordinary activities before taxation | | <u>(2,071,652)</u> | <u>(1,905,957)</u> |
| Tax on loss on ordinary activities | 7 | - | - |
| Loss for the financial year | | <u>(2,071,652)</u> | <u>(1,905,957)</u> |

Superstadium Management Company Limited
Statement of Financial Position
as at 30 June 2019

| | Notes | 2019 £ | 2018 £ |
|---|-------|---------------------|---------------------|
| Fixed assets | | | |
| Tangible assets | 8 | 803,516 | 1,534,038 |
| Current assets | | | |
| Debtors | 9 | 1,246,091 | 816,168 |
| Cash at bank and in hand | | 48,691 | 65,829 |
| | | <u>1,294,782</u> | <u>881,997</u> |
| Creditors: amounts falling due within one year | 10 | (16,389,390) | (14,635,475) |
| Net current liabilities | | <u>(15,094,608)</u> | <u>(13,753,478)</u> |
| Net liabilities | | <u>(14,291,092)</u> | <u>(12,219,440)</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 100 | 100 |
| Profit and loss account | 12 | (14,291,192) | (12,219,540) |
| Total equity | | <u>(14,291,092)</u> | <u>(12,219,440)</u> |



Dr A Allam
Director

Approved by the board on 9 September 2019

Superstadium Management Company Limited
Statement of Changes in Equity
for the year ended 30 June 2019

| | Share capital | Profit and loss account | Total |
|-----------------------------|------------------|-------------------------------|---------------------|
| | £ | £ | £ |
| At 1 July 2017 | 100 | (10,313,583) | (10,313,483) |
| Loss for the financial year | - | (1,905,957) | (1,905,957) |
| At 30 June 2018 | <u>100</u> | <u>(12,219,540)</u> | <u>(12,219,440)</u> |
| At 1 July 2018 | 100 | (12,219,540) | (12,219,440) |
| Loss for the financial year | - | (2,071,652) | (2,071,652) |
| At 30 June 2019 | <u>100</u> | <u>(14,291,192)</u> | <u>(14,291,092)</u> |

Superstadium Management Company Limited
Statement of Cash Flows
for the year ended 30 June 2019

| | Notes | 2019 £ | 2018 £ |
|--|-------|------------------|------------------|
| Operating activities | | | |
| Loss for the financial year | | (2,071,652) | (1,905,957) |
| Adjustments for: | | | |
| Loss on sale of fixed assets | | - | 8,101 |
| Depreciation | | 736,597 | 877,124 |
| (Increase)/decrease in debtors | | (429,923) | 279,830 |
| Increase in creditors | | 2,016,713 | 9,510 |
| Cash generated by/(used in) operating activities | | <u>251,735</u> | <u>(731,392)</u> |
| Investing activities | | | |
| Payments to acquire tangible fixed assets | | (6,075) | (190,567) |
| Proceeds from sale of tangible fixed assets | | - | 37,330 |
| Cash used in investing activities | | <u>(6,075)</u> | <u>(153,237)</u> |
| Net cash generated/(used) | | | |
| Cash generated by/(used in) operating activities | | 251,735 | (731,392) |
| Cash used in investing activities | | (6,075) | (153,237) |
| Net cash generated/(used) | | <u>245,660</u> | <u>(884,629)</u> |
| Cash and cash equivalents at 1 July | | <u>(196,969)</u> | <u>687,660</u> |
| Cash and cash equivalents at 30 June | | <u>48,691</u> | <u>(196,969)</u> |
| Cash and cash equivalents comprise: | | | |
| Cash at bank | | 48,691 | 65,829 |
| Bank overdrafts | 10 | - | (262,798) |
| | | <u>48,691</u> | <u>(196,969)</u> |

Superstadium Management Company Limited
Notes to the Accounts
for the year ended 30 June 2019

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Going concern

The company has made a loss for the year of £2,071,652 and at the year end had a deficit of £14,291,092. The company relies upon the continued support of its ultimate parent company and its group. The ultimate parent company has confirmed that such support will be forthcoming, and the accounts have been prepared using the going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

| | |
|---|--------------|
| Motor vehicles | over 5 years |
| Fixtures, fittings, tools and equipment | over 5 years |

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Superstadium Management Company Limited
Notes to the Accounts
for the year ended 30 June 2019

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 Critical accounting estimates and judgements

The directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and assumptions are based on historical experience and relevant factors. Actual results may differ from these estimates.

Superstadium Management Company Limited
Notes to the Accounts
for the year ended 30 June 2019

| | | |
|--|------------------|------------------|
| 3 Analysis of turnover | 2019 | 2018 |
| | £ | £ |
| Services rendered | <u>3,206,100</u> | <u>3,806,627</u> |
| By geographical market: | | |
| UK | <u>3,206,100</u> | <u>3,806,627</u> |
| 4 Operating profit | 2019 | 2018 |
| | £ | £ |
| This is stated after charging: | | |
| Depreciation of owned fixed assets | 736,597 | 877,124 |
| Auditors' remuneration for audit services | <u>7,500</u> | <u>7,500</u> |
| 5 Staff costs | 2019 | 2018 |
| | £ | £ |
| Wages and salaries | 805,708 | 807,713 |
| Social security costs | 40,190 | 41,469 |
| Other pension costs | <u>8,999</u> | <u>8,273</u> |
| | <u>854,897</u> | <u>857,455</u> |
| Average number of employees during the year | Number | Number |
| Administration | <u>199</u> | <u>196</u> |
| 6 Interest payable | 2019 | 2018 |
| | £ | £ |
| Other loans | <u>587,151</u> | <u>528,279</u> |
| 7 Taxation | 2019 | 2018 |
| | £ | £ |
| Analysis of charge in period | | |
| Tax on profit on ordinary activities | <u>-</u> | <u>-</u> |

Superstadium Management Company Limited
Notes to the Accounts
for the year ended 30 June 2019

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:

| | 2019 £ | 2018 £ |
|--|-------------|-------------|
| Loss on ordinary activities before tax | (2,071,652) | (1,905,957) |
| Standard rate of corporation tax in the UK | 19% | 19% |
| | £ | £ |
| Profit on ordinary activities multiplied by the standard rate of corporation tax | (393,614) | (362,132) |
| Effects of: | | |
| Expenses not deductible for tax purposes | 67,446 | 44,068 |
| Tax losses carried forward | 326,168 | - |
| Tax losses surrendered to group companies | - | 318,064 |
| Current tax charge for period | - | - |

Factors that may affect future tax charges

At the year end the company had unused tax losses to carry forward of £3,184,809 (2018: £1,468,136).

8 Tangible fixed assets

| | Plant and machinery <i>At cost</i> £ | Fixtures, fittings, tools and equipment <i>At cost</i> £ | Total £ |
|--------------------------|---|---|------------|
| Cost or valuation | | | |
| At 1 July 2018 | 5,789 | 6,639,326 | 6,645,115 |
| Additions | - | 6,075 | 6,075 |
| At 30 June 2019 | 5,789 | 6,645,401 | 6,651,190 |
| Depreciation | | | |
| At 1 July 2018 | 3,859 | 5,107,218 | 5,111,077 |
| Charge for the year | 1,930 | 734,667 | 736,597 |
| At 30 June 2019 | 5,789 | 5,841,885 | 5,847,674 |
| Carrying amount | | | |
| At 30 June 2019 | - | 803,516 | 803,516 |
| At 30 June 2018 | 1,930 | 1,532,108 | 1,534,038 |

Superstadium Management Company Limited
Notes to the Accounts
for the year ended 30 June 2019

| 9 Debtors | 2019 £ | 2018 £ |
|---|-------------------|-------------------|
| Trade debtors | 407,724 | 512,822 |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 124,989 | 107,626 |
| Other debtors | 104,352 | 139,164 |
| Prepayments and accrued income | 609,026 | 56,556 |
| | <u>1,246,091</u> | <u>816,168</u> |

| 10 Creditors: amounts falling due within one year | 2019 £ | 2018 £ |
|---|-------------------|-------------------|
| Bank overdrafts | - | 262,798 |
| Trade creditors | 239,896 | 239,350 |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | 15,378,954 | 13,672,048 |
| Other taxes and social security costs | 23,404 | 14,742 |
| Other creditors | 9,253 | 33,732 |
| Accruals and deferred income | 737,883 | 412,805 |
| | <u>16,389,390</u> | <u>14,635,475</u> |

| 11 Share capital | Nominal value | 2019 Number | 2019 £ | 2018 £ |
|-------------------------------------|----------------------|------------------------|-------------------|-------------------|
| Allotted, called up and fully paid: | | | | |
| Ordinary shares | £1 each | 100 | <u>100</u> | <u>100</u> |

| 12 Profit and loss account | 2019 £ | 2018 £ |
|-----------------------------------|---------------------|---------------------|
| At 1 July | (12,219,540) | (10,313,583) |
| Loss for the financial year | (2,071,652) | (1,905,957) |
| | <u>(14,291,192)</u> | <u>(12,219,540)</u> |
| At 30 June | | |

13 Controlling party

The parent company is Superstadium Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. The ultimate parent company is Allamhouse Limited, a company registered in England and Wales under the company number 07042898. The company is controlled by Dr A Allam.

Superstadium Management Company Limited
Notes to the Accounts
for the year ended 30 June 2019

14 Functional currency

The financial statements are presented in Sterling.

15 Legal form of entity and country of incorporation

Superstadium Management Company Limited is a private company limited by shares and incorporated in England.

16 Principal place of business

The address of the company's principal place of business and registered office is:

KC Stadium
West Park
Hull
HU1 3TE